



# **Intraday Liquidity Standard Recommended References Mapping and use cases**

May 2017

# Intraday Liquidity Reporting Standard

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- Use cases for Custodian Accounts

#### Transaction types for which real-time reporting is optional

- Use case when account owner is not the end beneficiary of the payment instruction
- Corporate Action's use cases

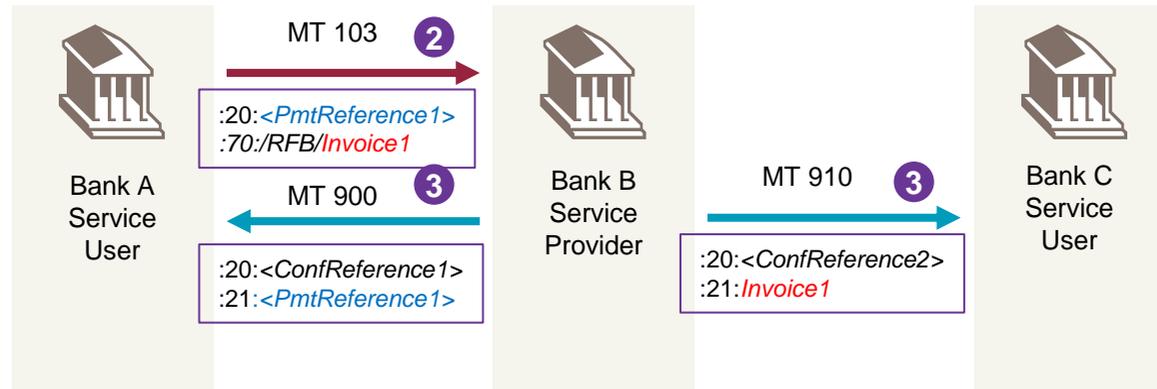


# Recommended references mapping



## Mapping of related reference – introduction

- The Intraday Liquidity Standard technical specifications impose the use of the related reference field (field 21) in MTs 900/910 enabling the service user to uniquely identify the transaction that led to an entry on its account with the service provider.



- Following slides provide a recommendation for the mapping from references from payment transactions (MT 103, 202, 202 COV, 204), FX transactions (MT 300), and securities transactions (MT 541, 543) to subsequent transactions, confirmations of debit/credit (MT 900/910) and statements (MT 940/950).

# Intraday Liquidity Standard for Nostro and Custodian Accounts

## Recommendation for mapping of the related reference 1/4

MT	Field	Maps to MT	Maps to field
MT 103	20 Sender's Reference	MT 202 COV	21 Related Reference
		MT 900	21 Related Reference
	70 Remittance Information	MT 103	70 Remittance Information
	70 Remittance Information (1st 16 chars after code /ROC/ or, if /ROC/ absent, after code /RFB/	MT 910	21 Related Reference

## Mapping of the related reference 2/4

MT	Field	Maps to MT	Maps to field
MT 202 (COV)	20 Transaction Reference	MT 900	21 Related Reference
	21 Related Reference	MT 202/MT 205 (COV)	21 Related Reference
		MT 910	21 Related Reference
MT 543	:20C::SEME (Seq A)	MT 900	21 Related Reference
		MT 910	21 Related Reference
		MT 202	21 Related Reference
MT 541	:20C::SEME (Seq A)	MT 204	21 Related Reference
		MT 900	21 Related Reference

## Mapping of the related reference 3/4

MT	Field	Maps to MT	Maps to field
MT 547	:20C::RELA// (Link in A.1)	MT 910	21 Related Reference
		MT 202	21 Related Reference
MT 545	:20C::RELA// (Link in A.1)	MT 900	21 Related Reference
		MT 204	21 Related Reference
MT 204	21 Related Reference	MT 900	21 Related Reference
		MT 910	21 Related Reference
	20 Sender's Reference	MT 910	21 Related Reference
MT 566	:20C::CORP// (in Seq A.)	MT 900	21 Related Reference
		MT 910	21 Related Reference
		MT 202	21 Related Reference
		MT 204	21 Related Reference
MT 300	22c	MT 202	21 Related Reference
		MT 900/910	21 Related Reference

## Mapping of the related reference 4/4

MT	Field	Maps to MT	Maps to field
MT 103 MT 202 (COV) MT 545 MT 547 MT 204 MT 900 MT 910	Same fields as above	MT 950 MT 940	<p>Statement line 61 subfield 7 Reference for the Account Owner includes:</p> <ul style="list-style-type: none"> <li>• For debit entries, the field 20 Sender's Transaction Reference Number (or its equivalent) of the original instruction. [or field 21 of MT 900]</li> <li>• For credit entries, the reference for the beneficiary (for example, field 21 Related Reference) of the related transaction when the account servicing institution is identifying, to the account owner the receipt of funds for its account as a result of a related transaction. [or field 21 of MT 910]</li> <li>• For credit entries, the field 20 Transaction Reference Number (or its equivalent) of the payment instruction issued by the account servicing institution when the account servicing institution has issued a payment instruction to the account owner and the credit identified in this subfield is for that payment. [or field 21 of MT 910]</li> <li>• Mutually agreed reference for FX or Securities Transactions, or cheque number).</li> </ul> <p>"If code NONREF used in subfield 7 - info can be provided in subfield 9 –supplementary details (free format) or, in case of a MT 940, field 86 – info to account owner (free format)"</p>

# Use cases for IDL standard



## Introduction to use cases

- Use cases document how to implement business rules and technical specifications for the most common business scenarios.
- All use cases in scope of the IDL standard are documented.
- The use cases that relate to mandatory real-time reporting features have been split from the use cases for optional real-time reporting features.
- These use cases can be used as a reference for the bilateral testing between service providers and service users



## Use case have been documented at three levels

### Business flow chart

- Provide business context for the use case and a high level view of the business & technical rules that apply in this case

### Functional flow – “Business rules”

- Provide a detailed view on how business rules apply in the context of a specific use case

### Message flow- “Technical rules”

- Provide detailed information on the message flows and message content required to comply with the technical specifications in the context of a specific use case

# Use cases for IDL standard

**Transaction types for which real-time reporting is mandatory**



# Index for use cases

## Use cases for transaction types for which real-time reporting is mandatory for the IDL standard

### Nostro Accounts use cases

- 1A - Book Transfer for MT 103
- 1B - Book Transfer for MT 202
- 2A - Serial for MT 103
- 2B - Serial for MT 103 with domestic clearing
- 2C - Serial for MT 202
- 3 - Cover Payment
- 4 - Cleared Margin call - Excess cash posting
- 5 - Cleared Margin call - Excess cash recall
- 6 - Non cleared Margin call - Excess cash posting
- 7 - Non cleared Margin call - Excess cash recall

### Reporting of cash movement related to Securities Settlement through Custodian or regular Nostro Account

- 8 - Cash netted settlement by custodian
- 9 - No cash account held with Custodian – authorization to debit the account at cash provider (RVP)
- 10 - Cash account held with Custodian (DVP use case) with settlement in other currency than the cash account (with FX)

### FX use cases

- 11 - Deal between 2 FI's - Settlement through Nostro accounts with MT 202
- 12 - Deal between 2 FI's – FI's both have a Nostro account relationship
- 13 - Deal with corporate - Settlement through Nostro accounts with cover payment

## Use cases for transaction types for which real-time reporting is optional for the IDL standard

### Use case when account owner is not the end beneficiary of the payment instruction

- 14 - MT 103
- 15 - MT 202

### Corporate Actions use cases

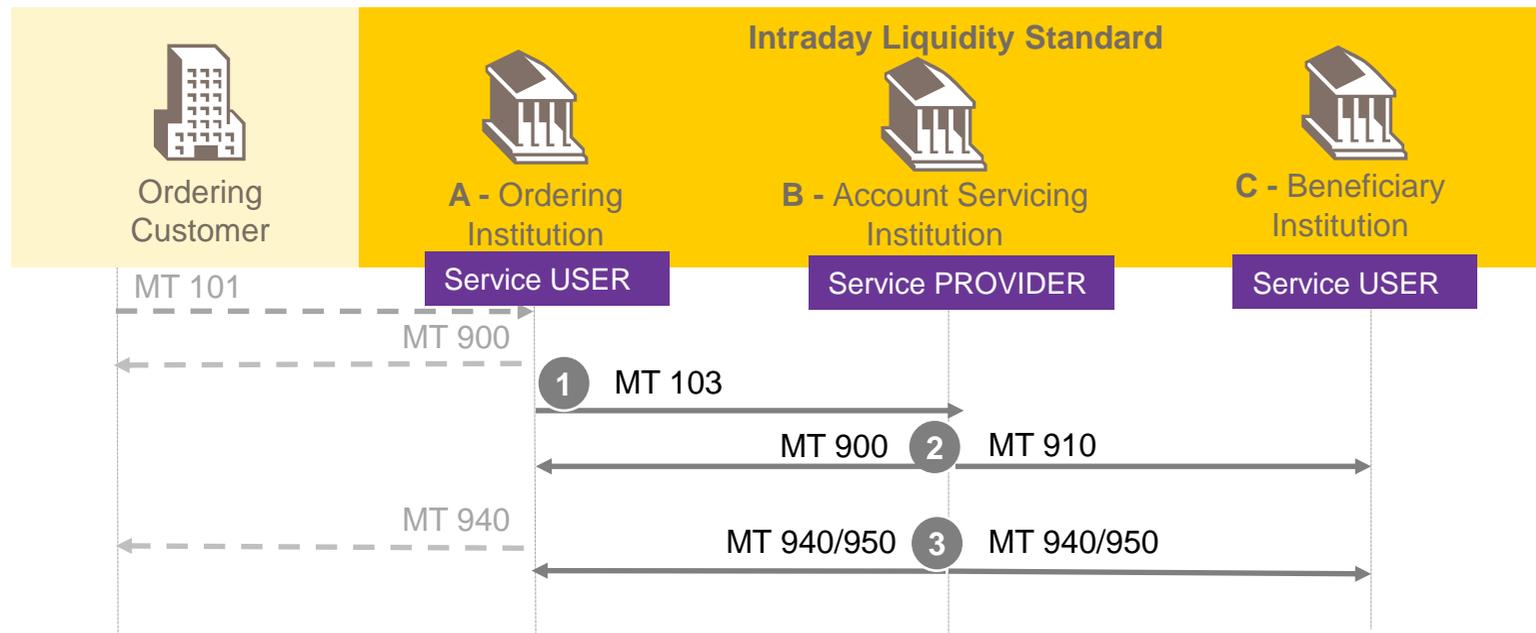
- 16 - Cash account held with Custodian
- 17 - Cash account held with cash correspondent



# Use cases on Nostro Accounts



# Business flow for Use case 1A: Book Transfer for MT 103

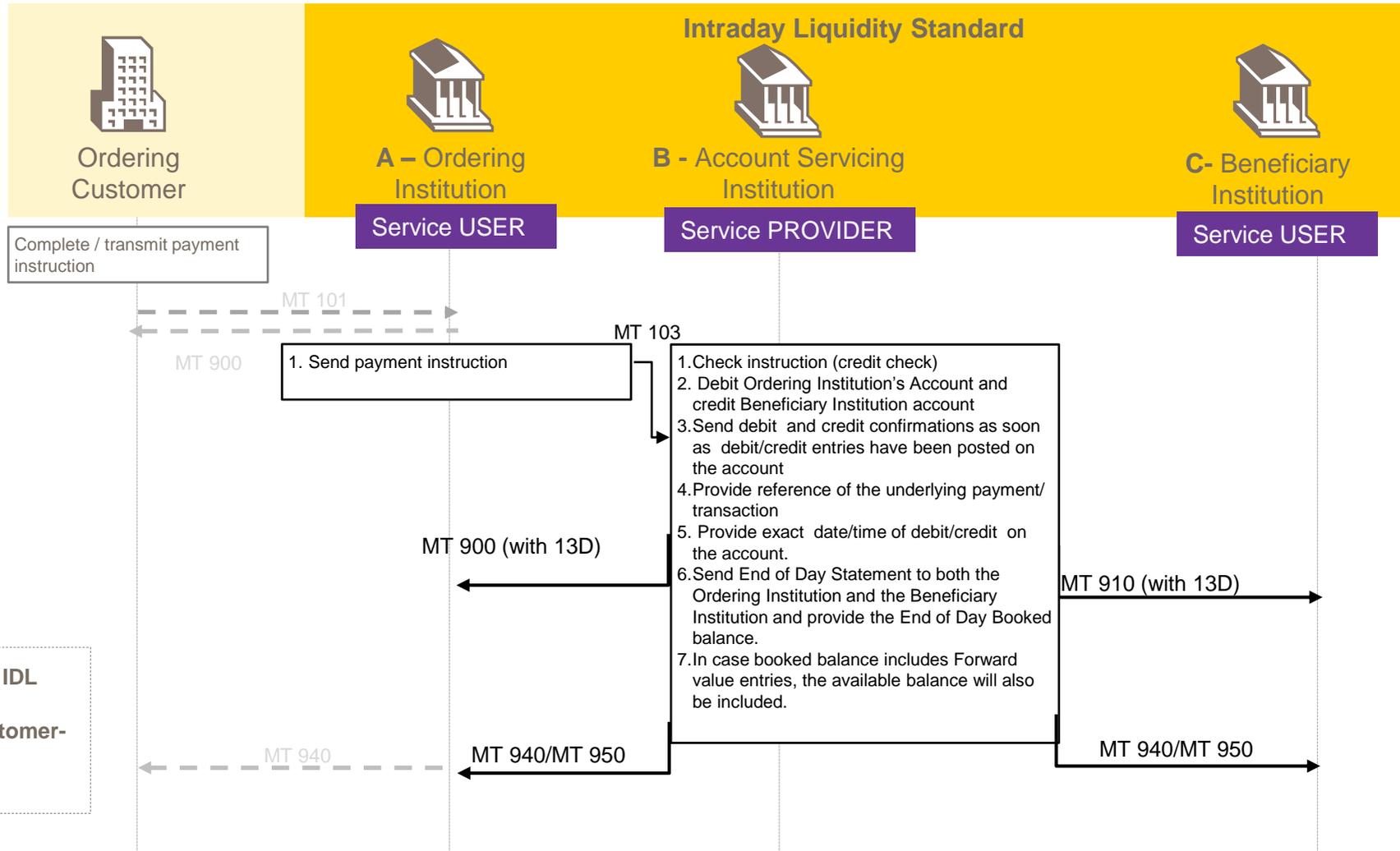


In a serial payment scenario when the *Ordering Institution* and the *Beneficiary Institution* have an account relationship with the same *Account Servicing Institution*.

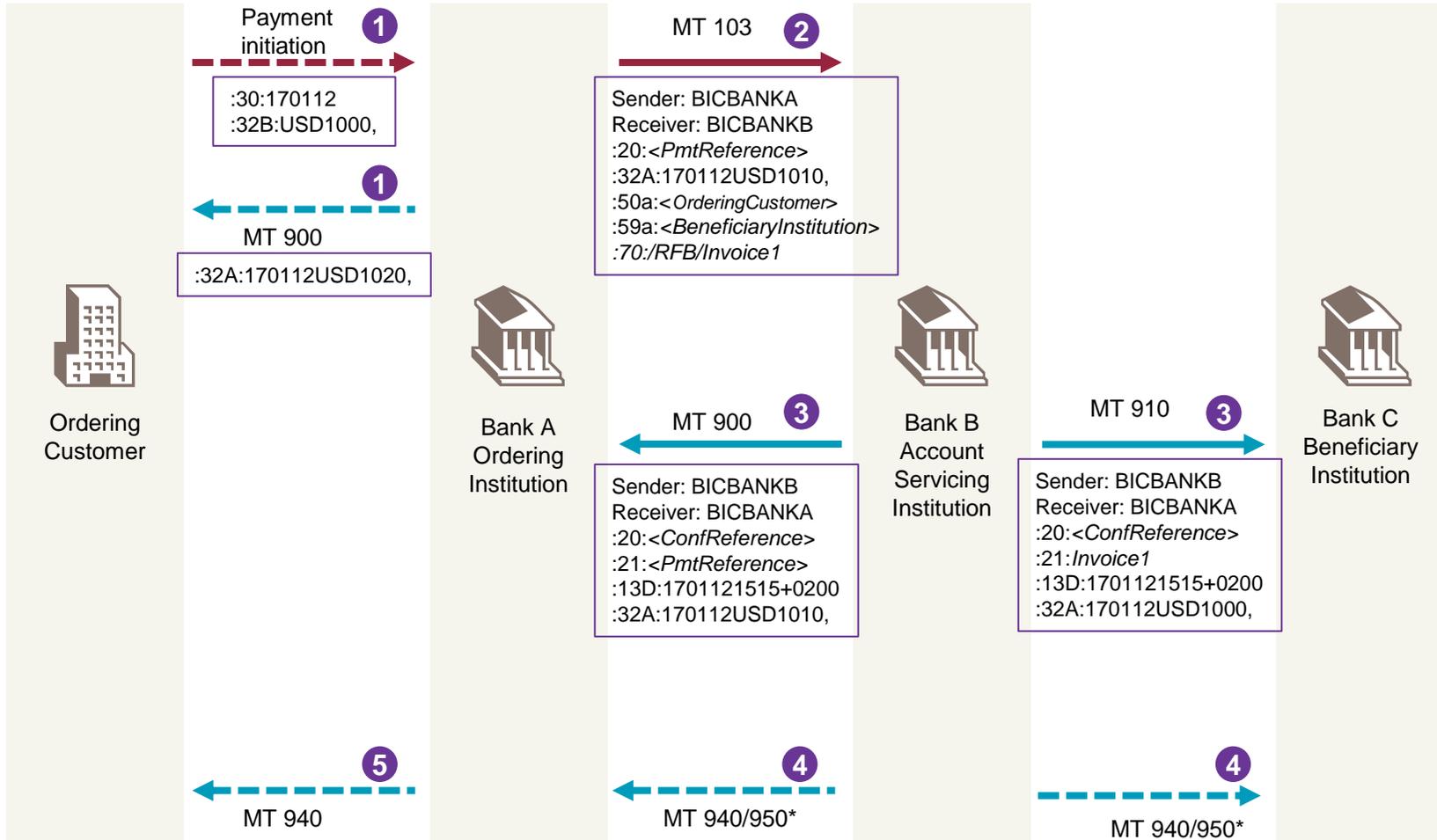
The *Account Servicing Institution* will then execute a book transfer and send a real time debit confirmation to the *Ordering institution* and a real time credit confirmation to the *Beneficiary institution*.

Both the debit and the credit entries should have the exact same value date/time (in field 13D of MT 900 and MT 910) except when the account is operated in another location than the currency settlement time zone. A same currency may also have different settlement time zone (e.g. USD clearing in CHATS).

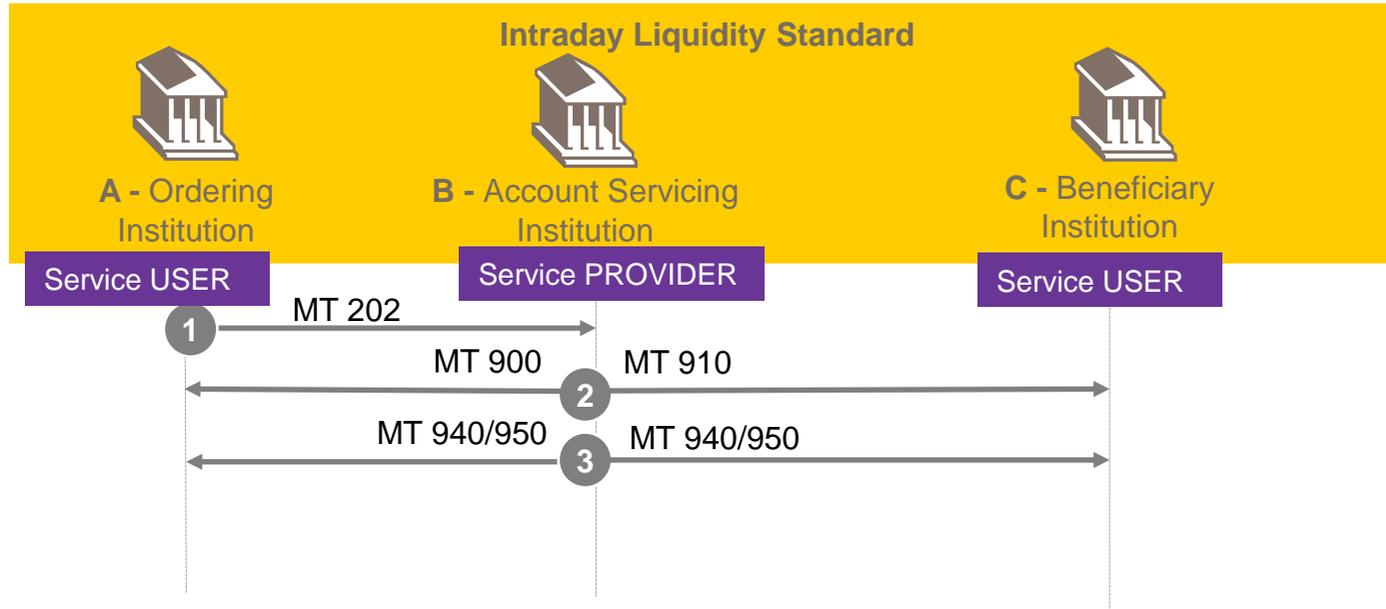
# Functional flow - Business rules for Use case 1A: Book Transfer for MT 103



# Message flow – Technical rules for Use case 1A: Book Transfer for MT 103



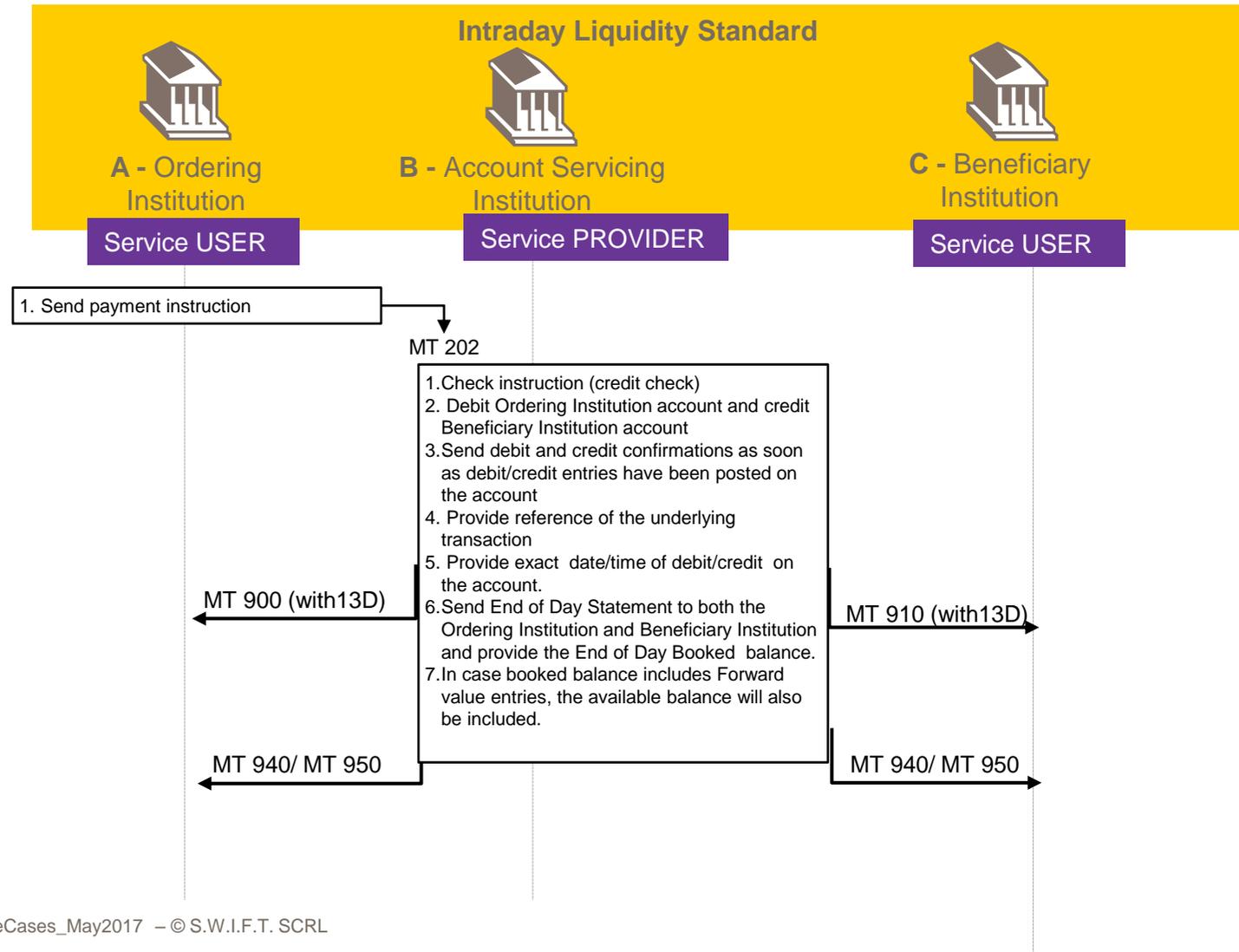
# Business flow for Use case 1B: Book Transfer for MT 202



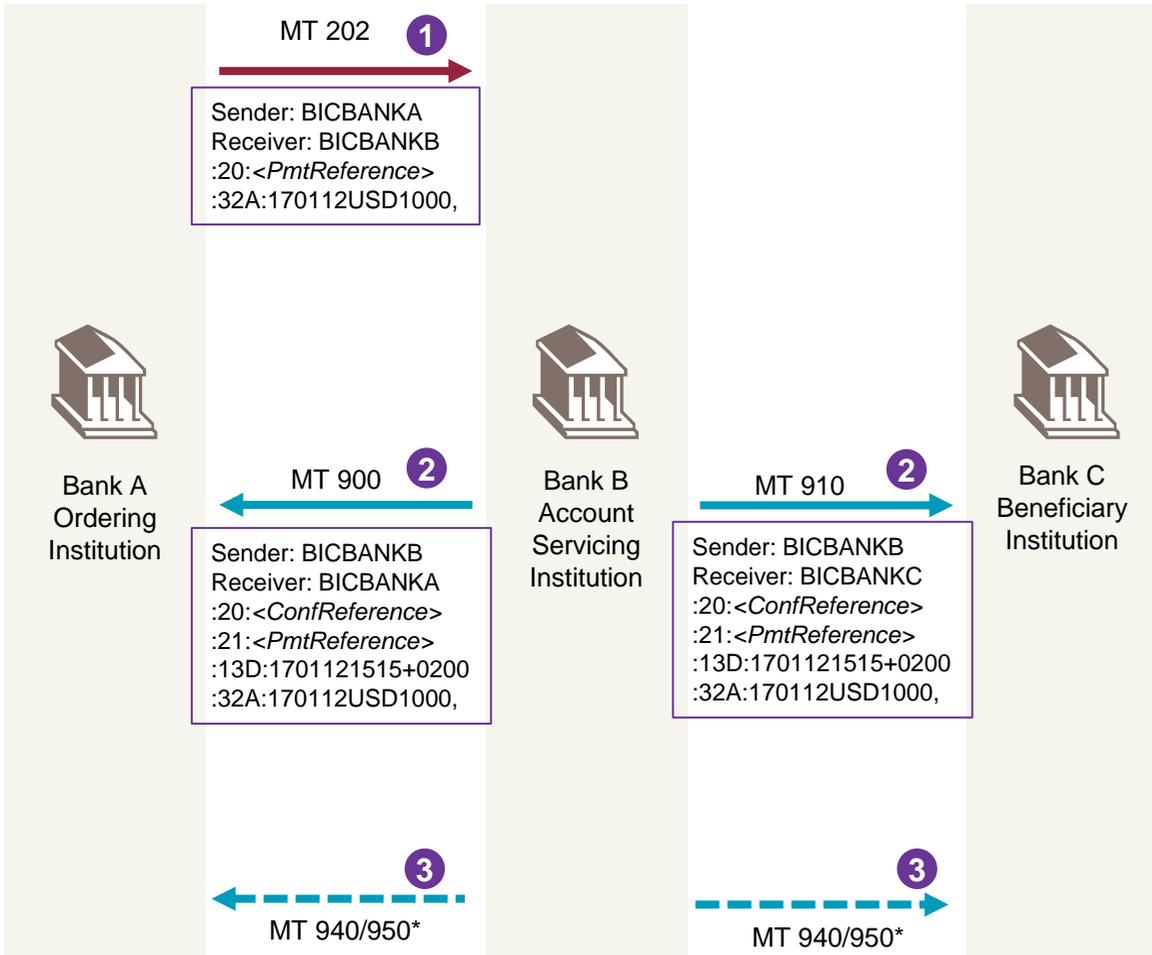
In a serial payment scenario when the *Ordering Institution* and the *Beneficiary Institution* have an account relationship with the same *Account Servicing Institution*, the *Account Servicing Institution* will execute a book transfer and send a real-time debit confirmation to the *Ordering institution* and a real time credit confirmation to the beneficiary institution.

Both the debit and the credit entries should have the exact same value date/time (in field 13D of MT 900 and MT 910) except when the account is operated in another location than the currency settlement time zone. A same currency may also have different settlement time zone (e.g. USD clearing in CHATS).

# Functional flow - Business rules for Use case 1B: Book Transfer for MT 202



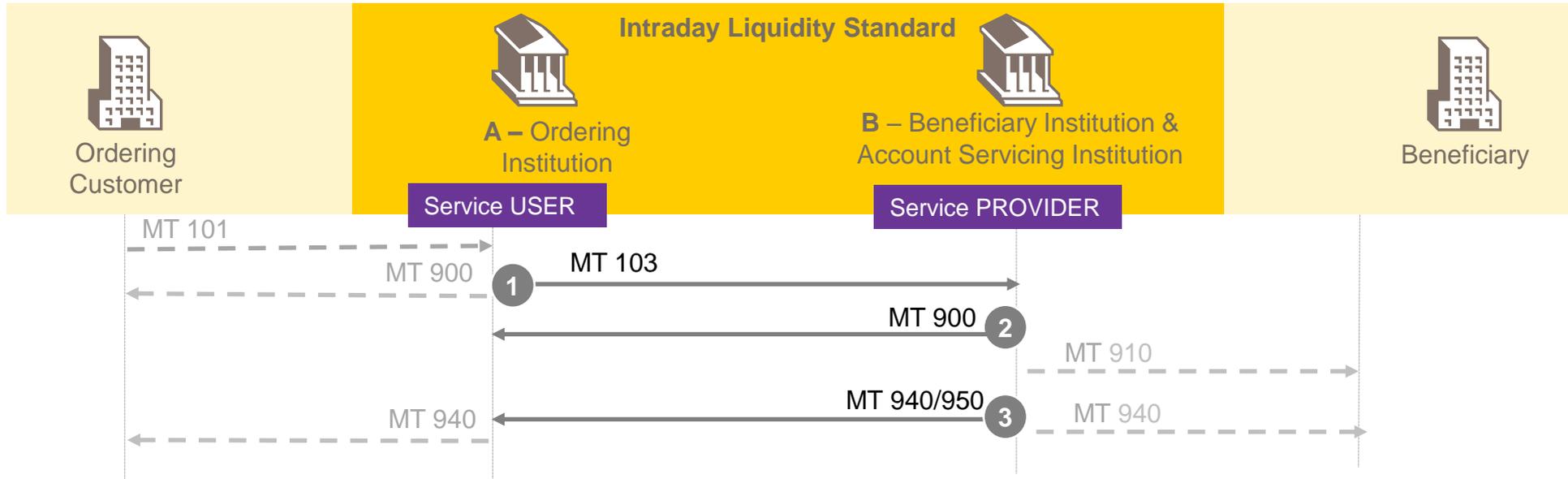
# Message flow – Technical rules for Use case 1B: Book Transfer for MT 202



\* Need to provide daily balance even if no transaction

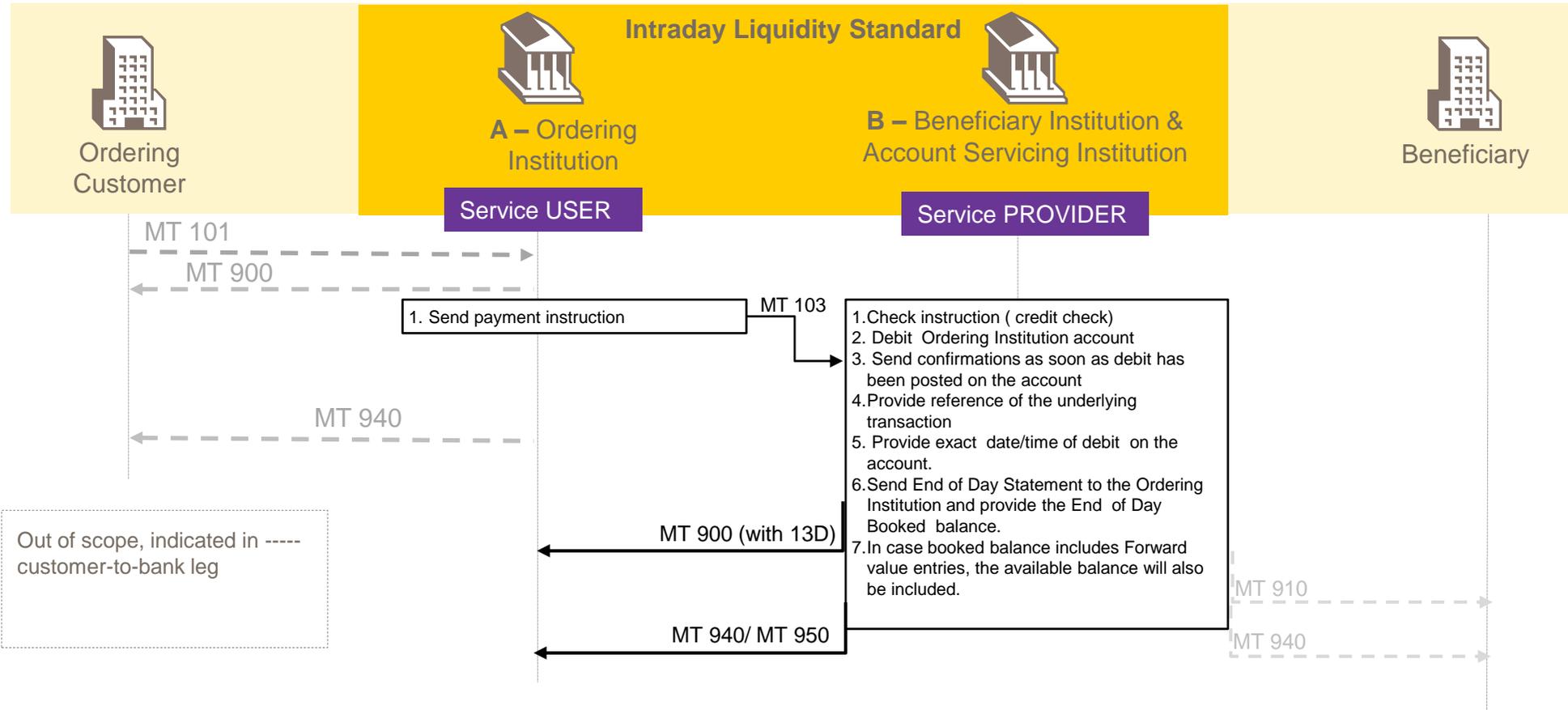


## Business flow for use case 2A: Serial payment for MT 103

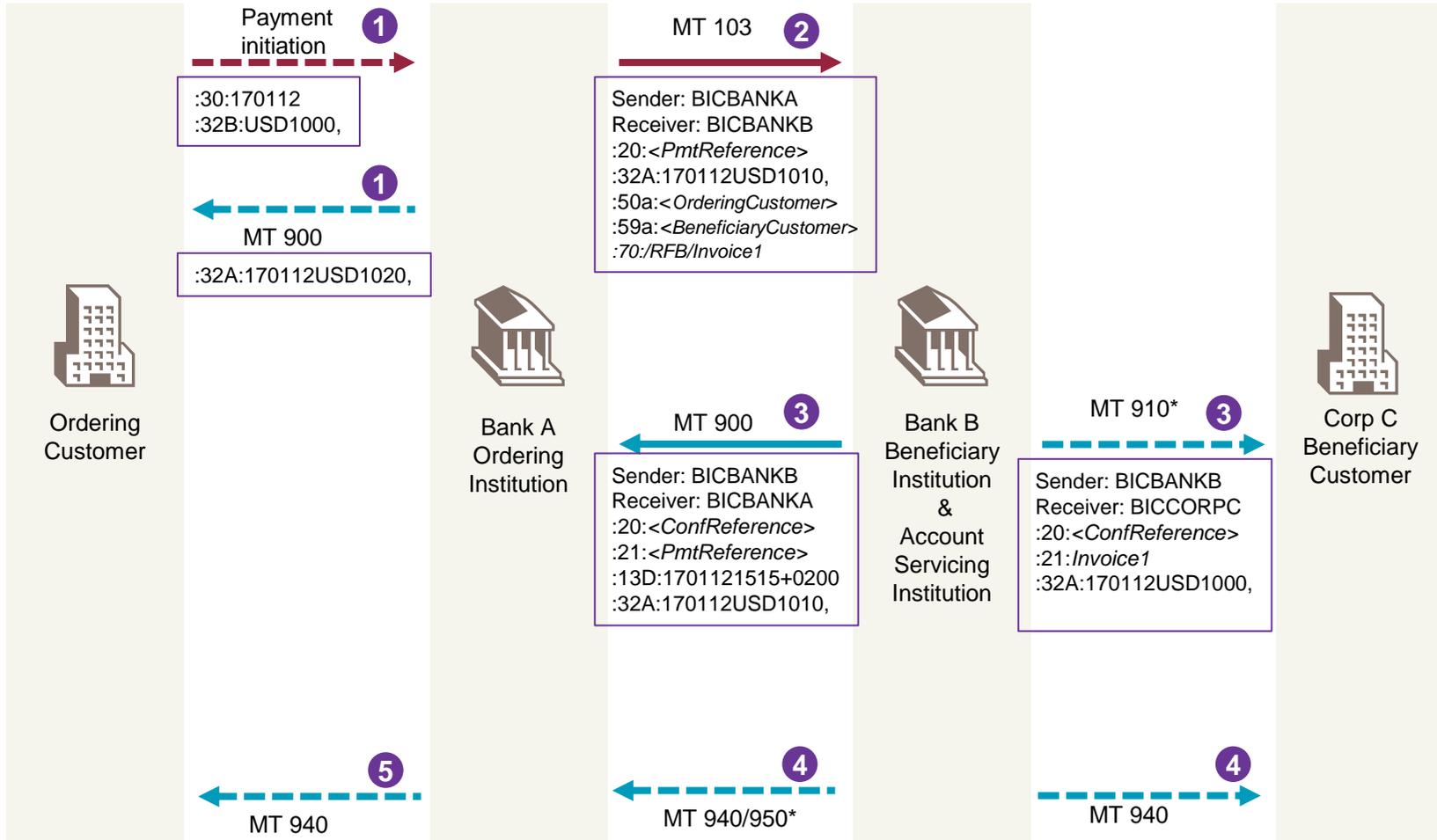


In a serial payment when *Ordering Institution A* has an account with *Beneficiary Institution B*, *Institution B* will send a real-time debit confirmation for each transaction.

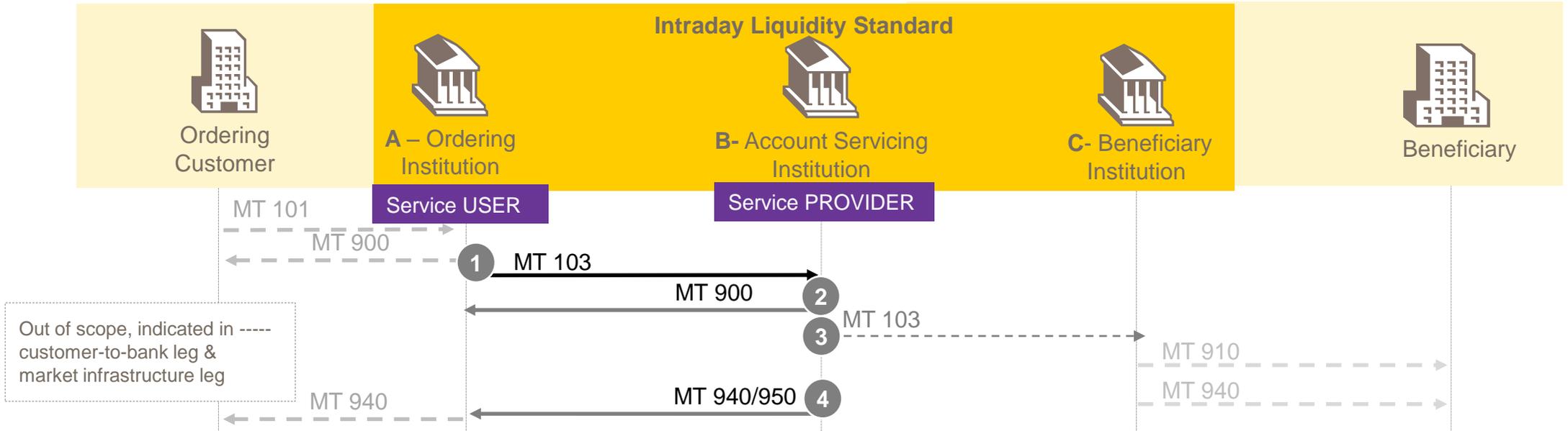
# Functional flow - Business rules for Use case 2A: Serial payment for MT 103



# Message flow – Technical rules for Use case 2A: Serial payment for MT 103

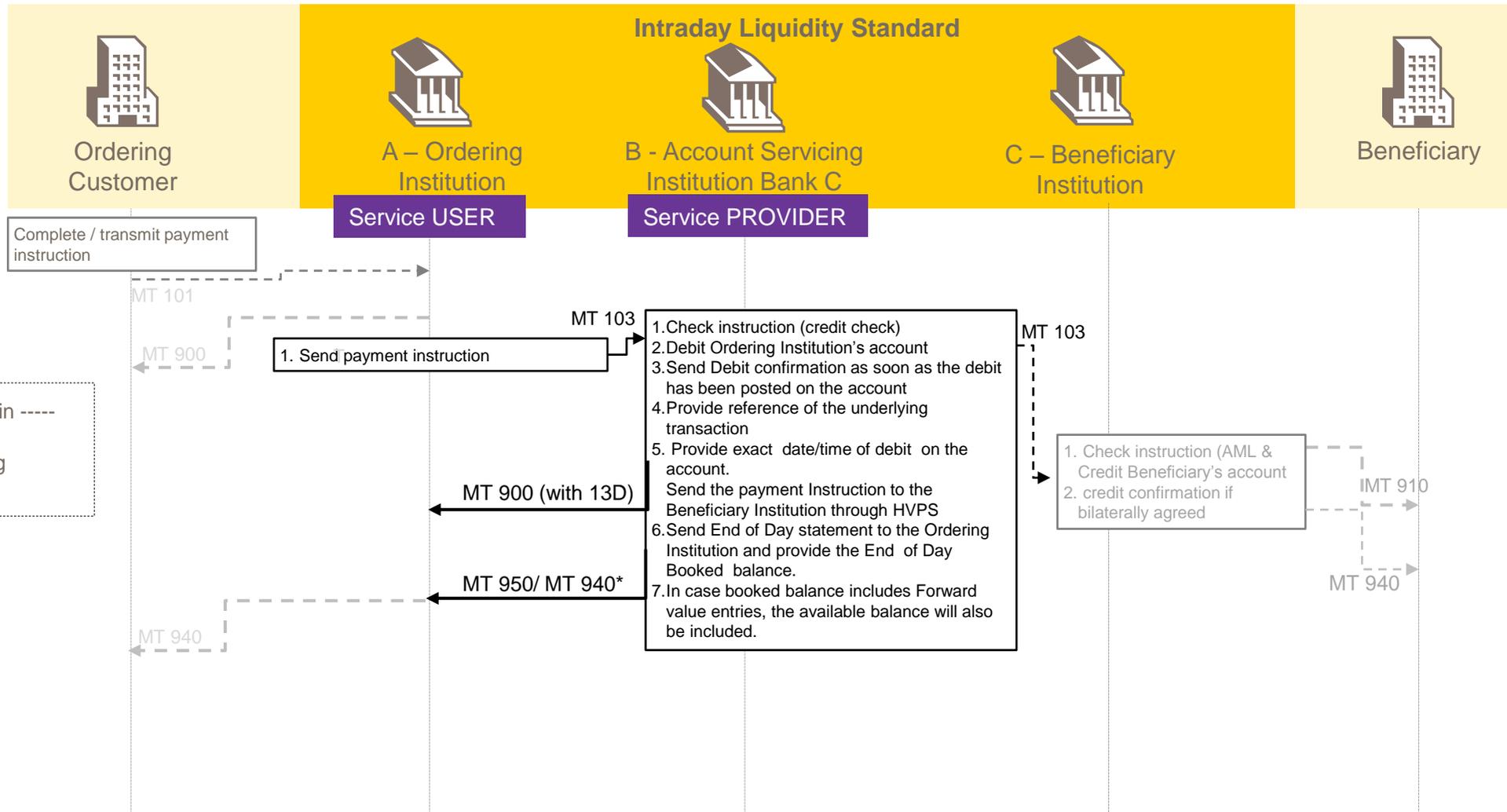


# Business flow for Use case 2B: Serial Payment for MT 103



In a serial payment scenario when the *Ordering Institution A* does not have an account relationship with the *Beneficiary Institution B*, it will send the payment to its *Account Servicing Institution B*. The *Account Servicing Institution B* will debit the *Ordering Institution's* account and send him a real-time debit confirmation. In this scenario, he will send the payment instruction to the *Beneficiary Institution* through the domestic Market Infrastructure.

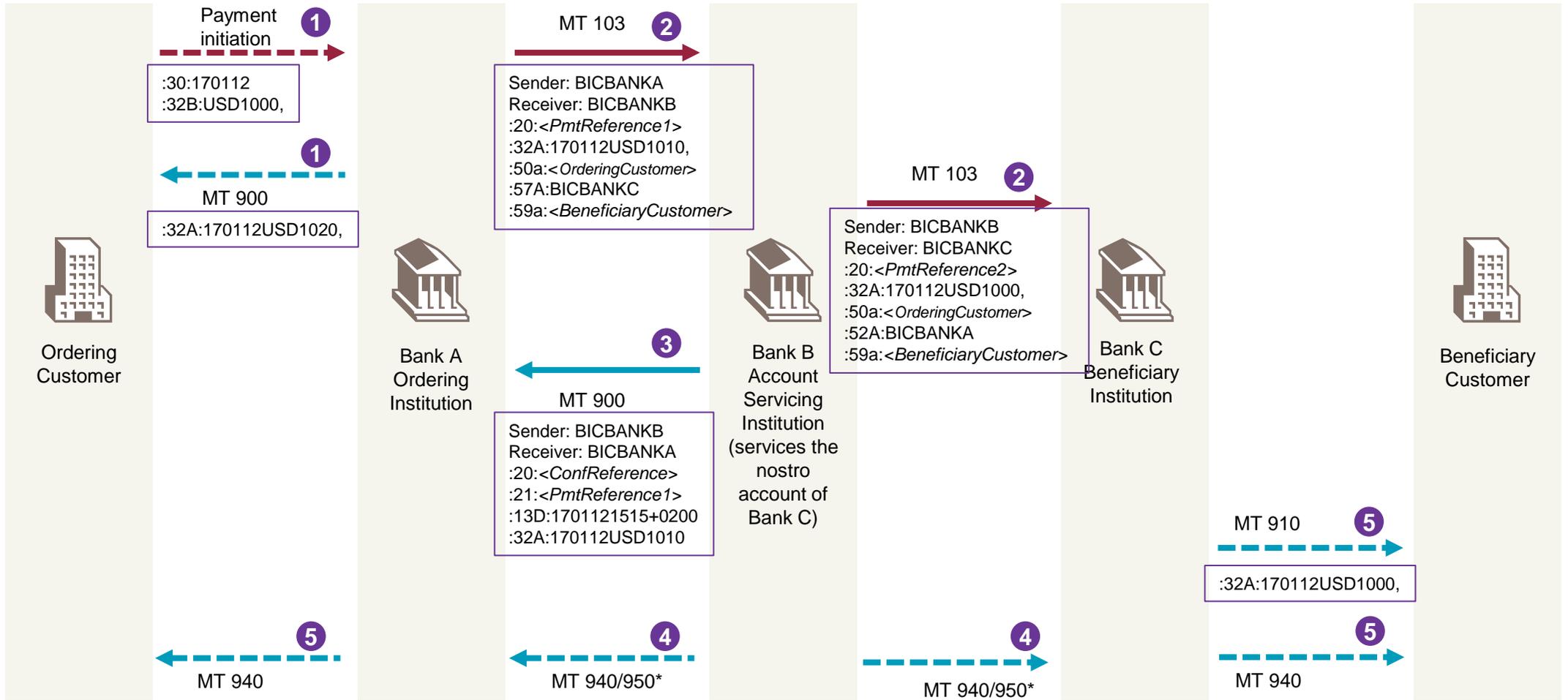
# Functional flow - Business rules for Use case 2B: Serial Payment for MT 103



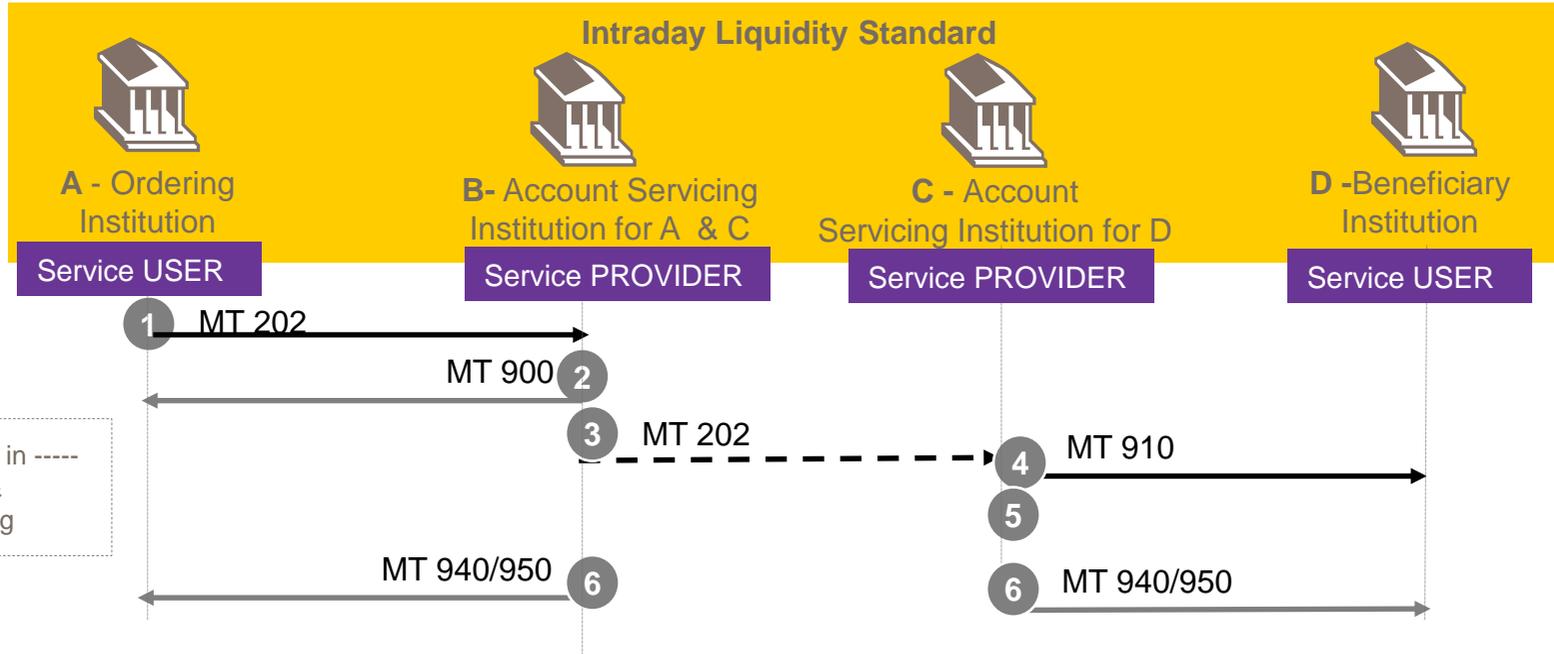
\* Need to provide daily balance even if no transaction



# Message flow – Technical rules for Use case 2B: Serial payment for MT 103

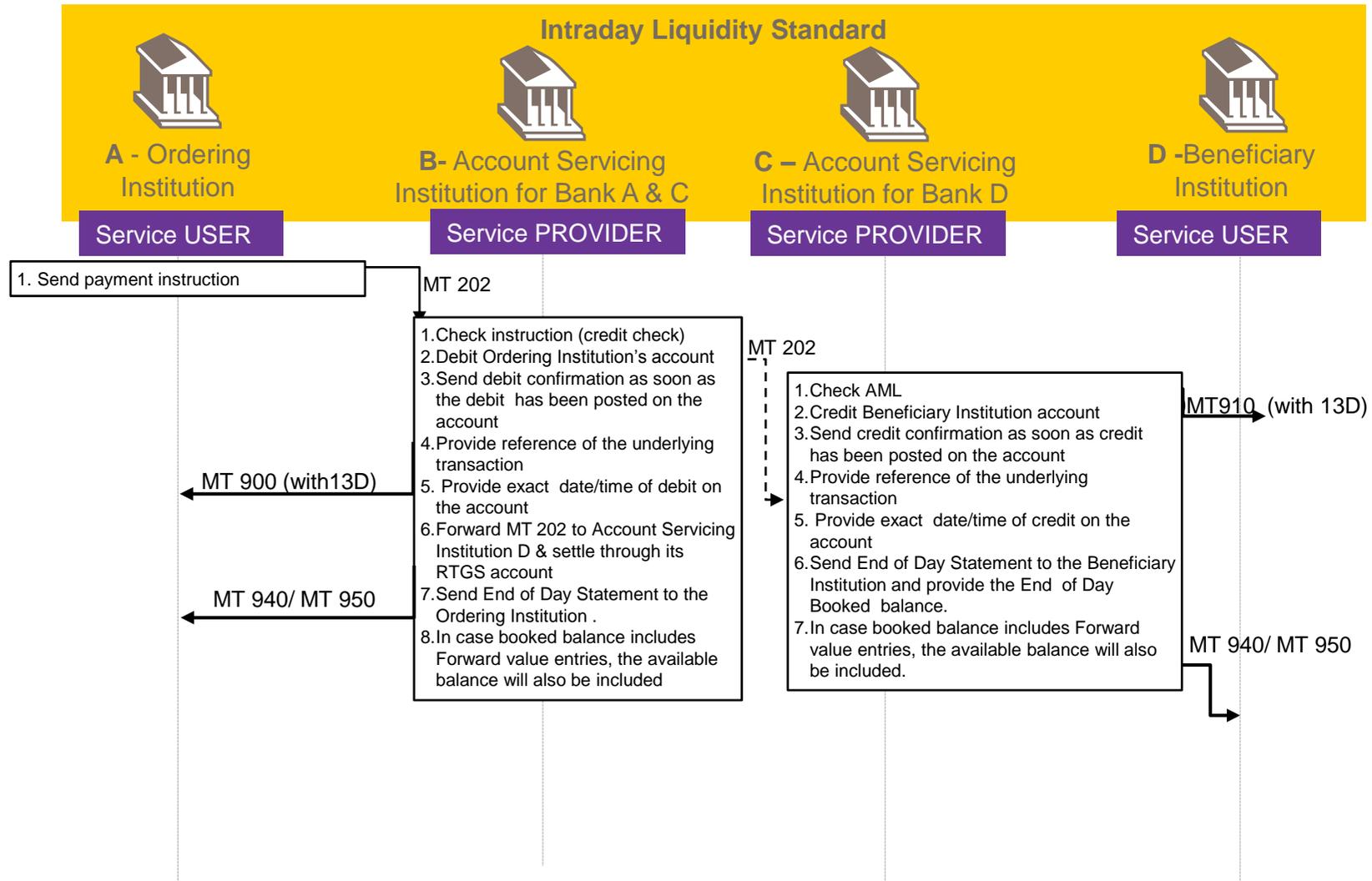


# Business flow for use case 2C: Serial payment for MT 202

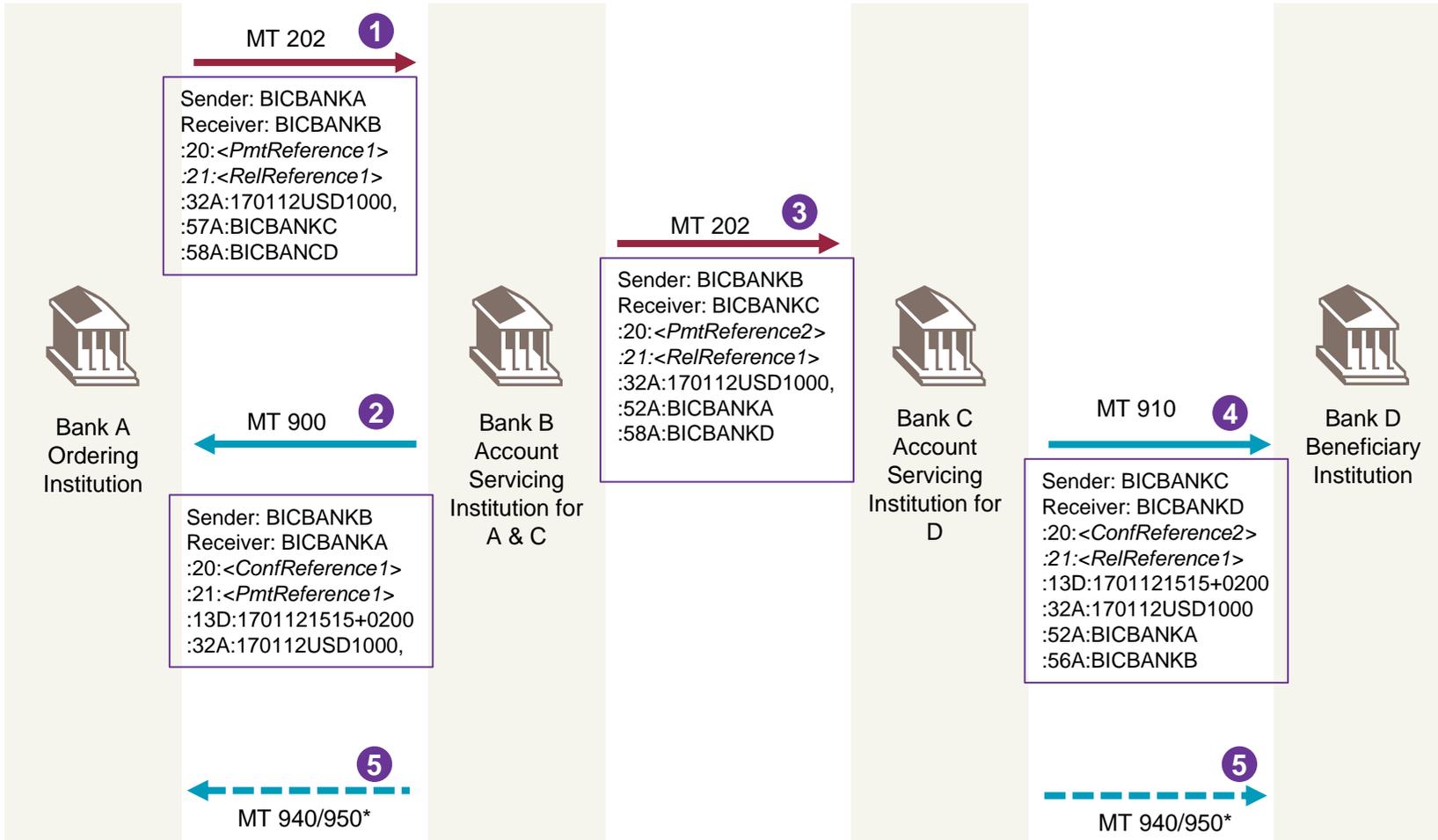


In a serial payment scenario when the *Ordering Institution A* does not have a direct account relationship with the *Beneficiary Bank D*, each *account servicing institution (B and C)* will respectively confirm the debit and the credit entry on their account. Bank B and C don't have any account relationship with each others and will settle the payment through their respective RTGS account.

# Functional flow - Business rules for Use case 2C: Serial payment for MT 202



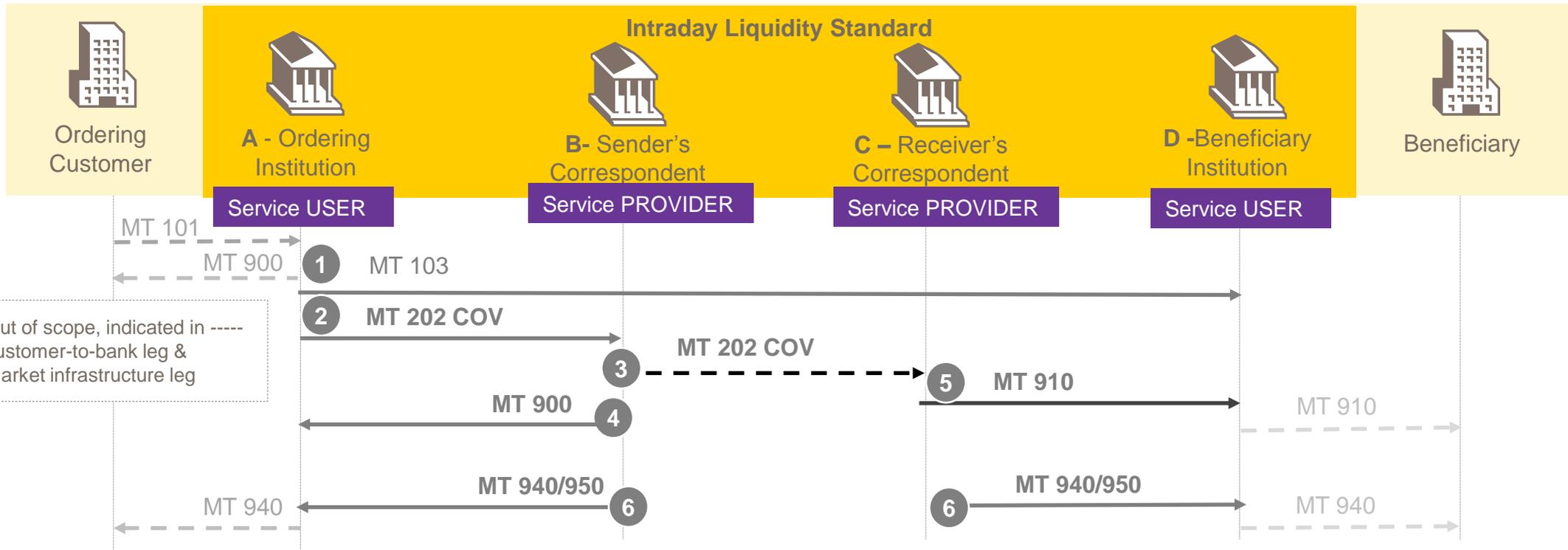
# Message flow – Technical rules for Use case 2C: Serial payment for MT 202



\* Need to provide daily balance even if no transaction

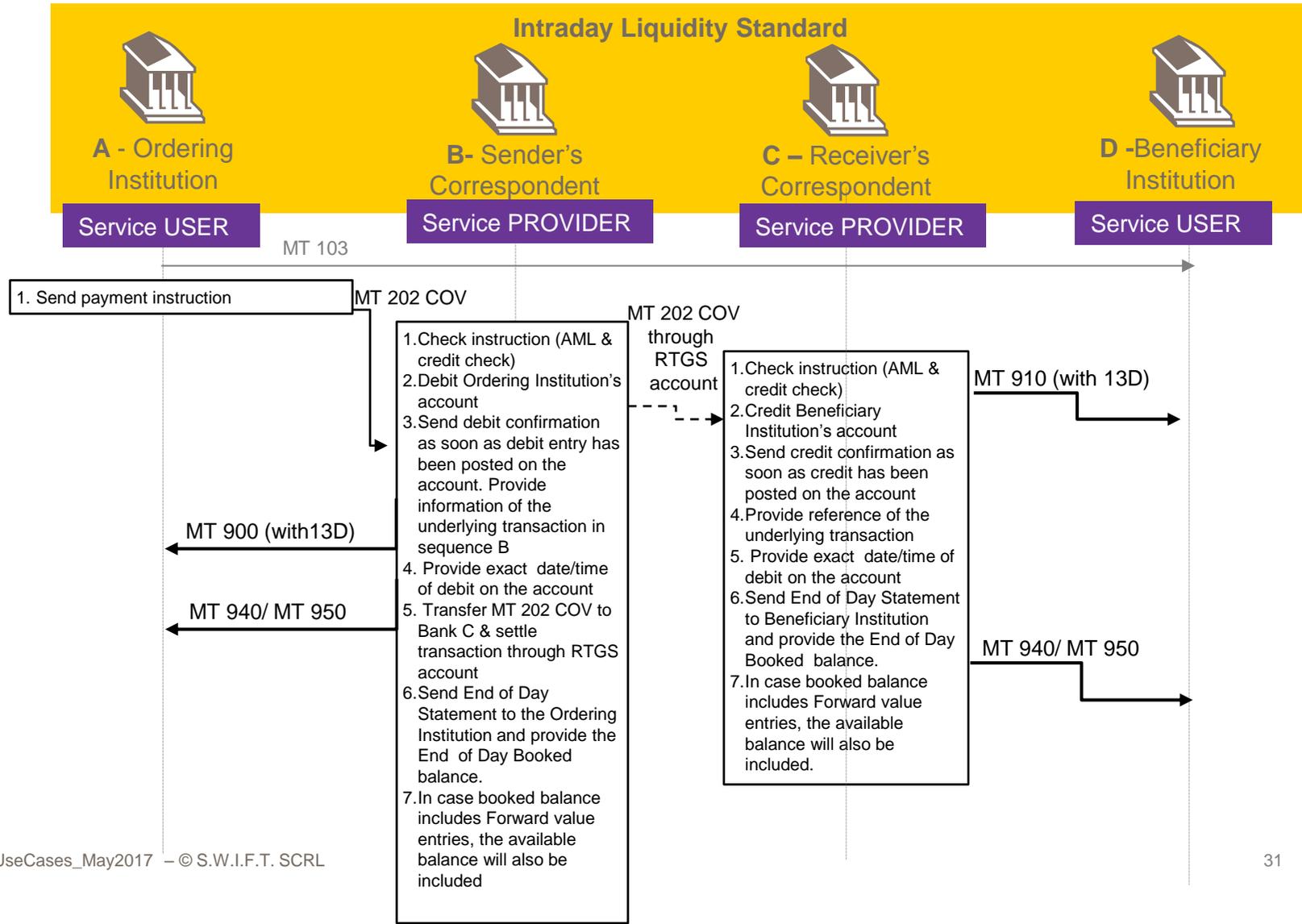


# Business flow for use case 3: Cover payment

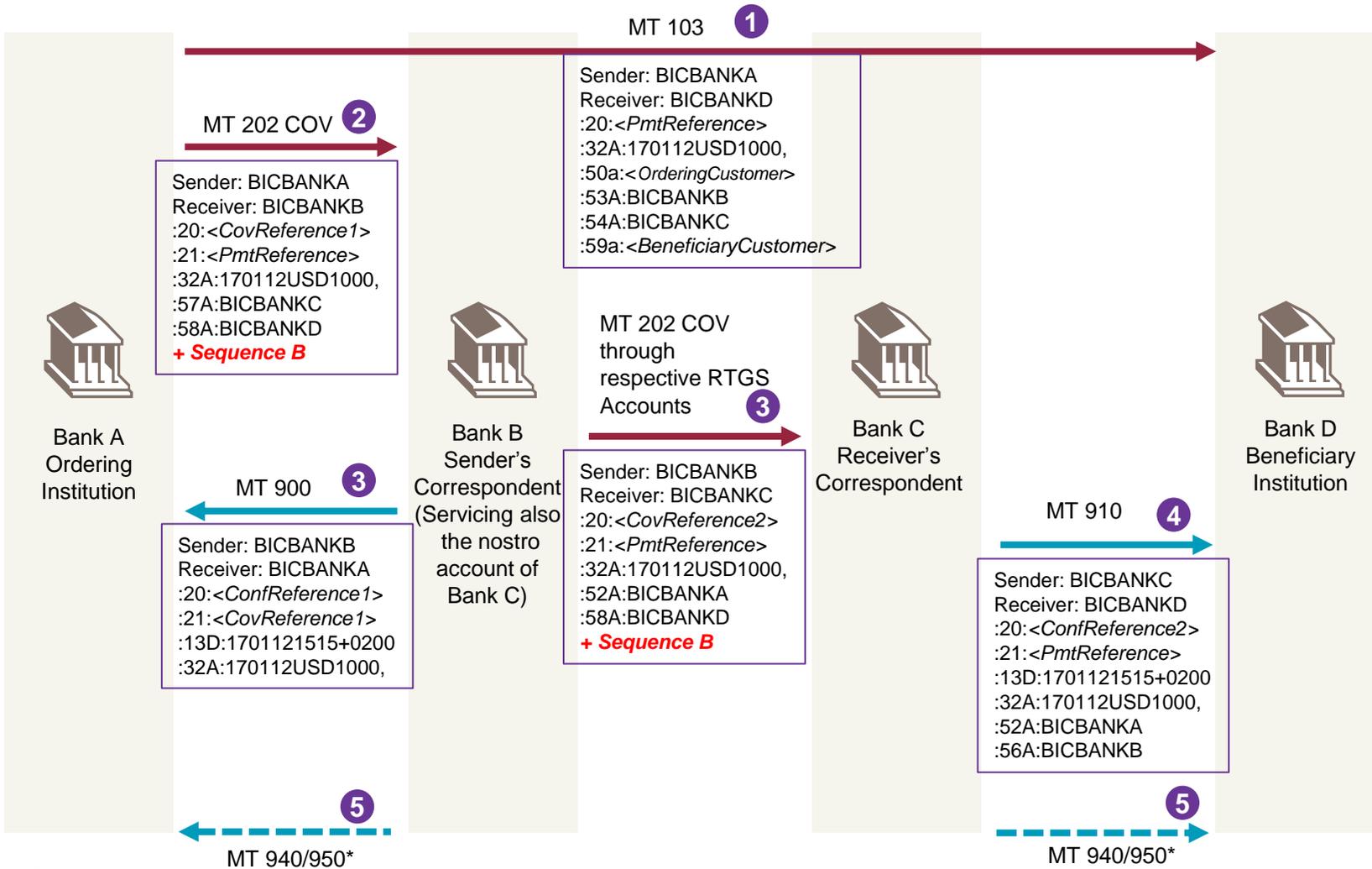


In a cover payment scenario if the *Ordering Institution* and *Beneficiary Institution* do not have a direct account relationship, and settle the payment through their respective correspondent, which are not the same, each correspondent will send respectively a debit and a credit confirmation to the ordering and the beneficiary institution. Please note that in this scenario, the two correspondents (Bank B and Bank C) don't have any account relationship with each other. Settlement is done through their respective RTGS account.

# Functional flow - Business rules for Use case 3: Cover payment



# Message flow – Technical rules for Use case 3: Cover payment



\* Need to provide daily balance even if no transaction



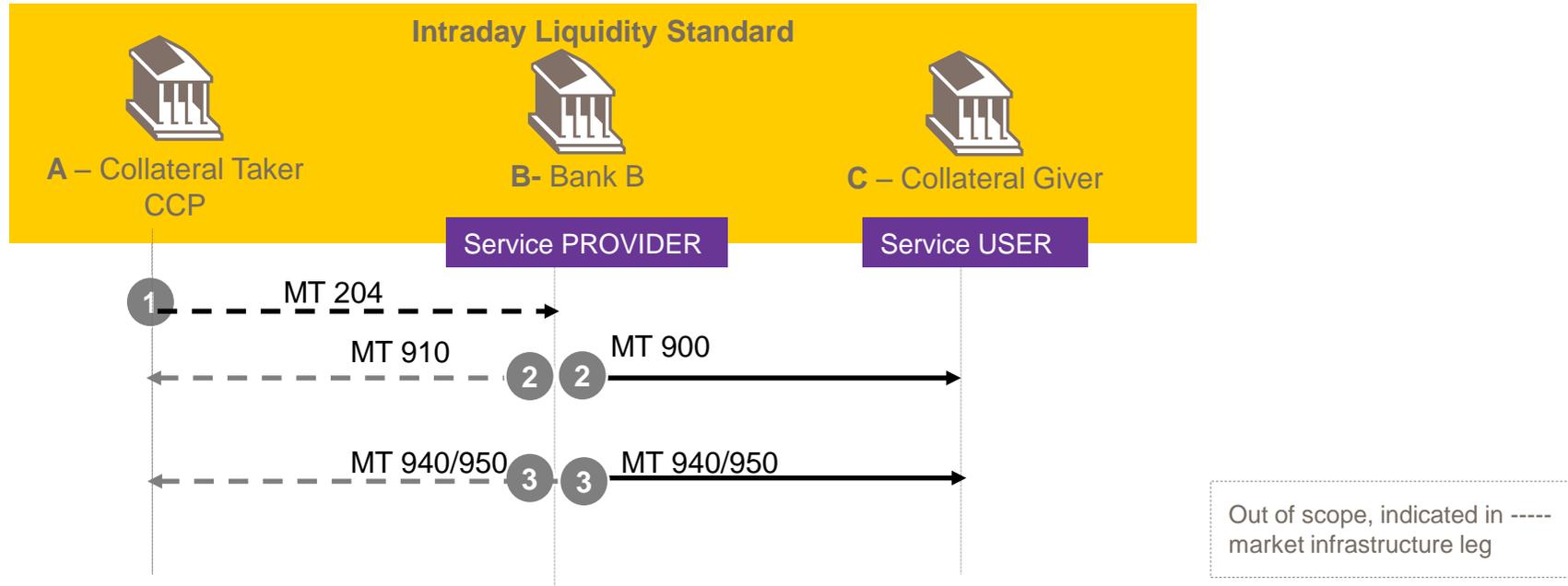
## Reporting on margin calls

Regulatory pressure imposes collateralised transactions to be accurately and timely settled. This increases the number of variation margin calls between financial institutions, whether they are part of a cleared transaction (e.g. for standardised OTC derivatives) or a non-cleared transaction (e.g. repurchase agreement).

Variation margin being essentially cash, tracking these movements is also crucial. Although the Margin Calls scenarios are fully in line with previously developed scenarios on liquidity movements, Margin Calls are “unplanned” events depending on the market conditions, which cannot be easily forecasted. In addition, Margin calls are time specific obligations for which a specific regulatory reporting is necessary.

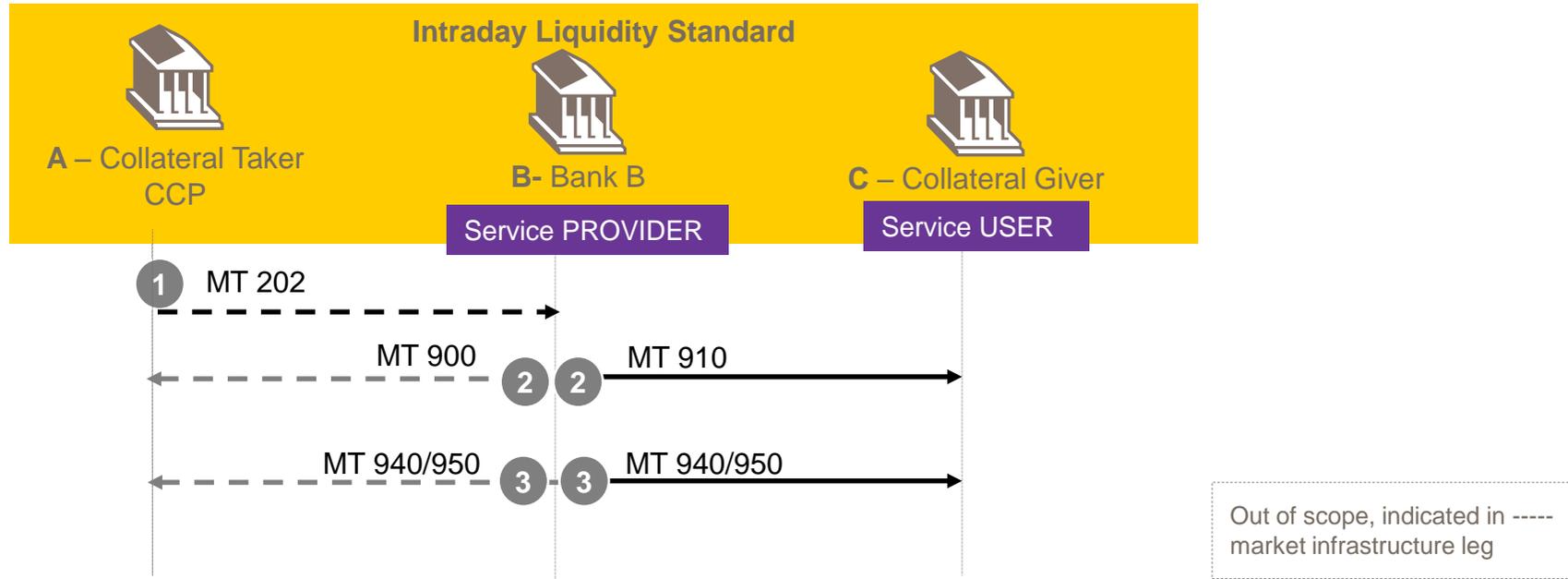
This explains why there is a dedicated section in the use cases..

# Business Flow for Use case 4: Cleared Margin call - Excess cash posting



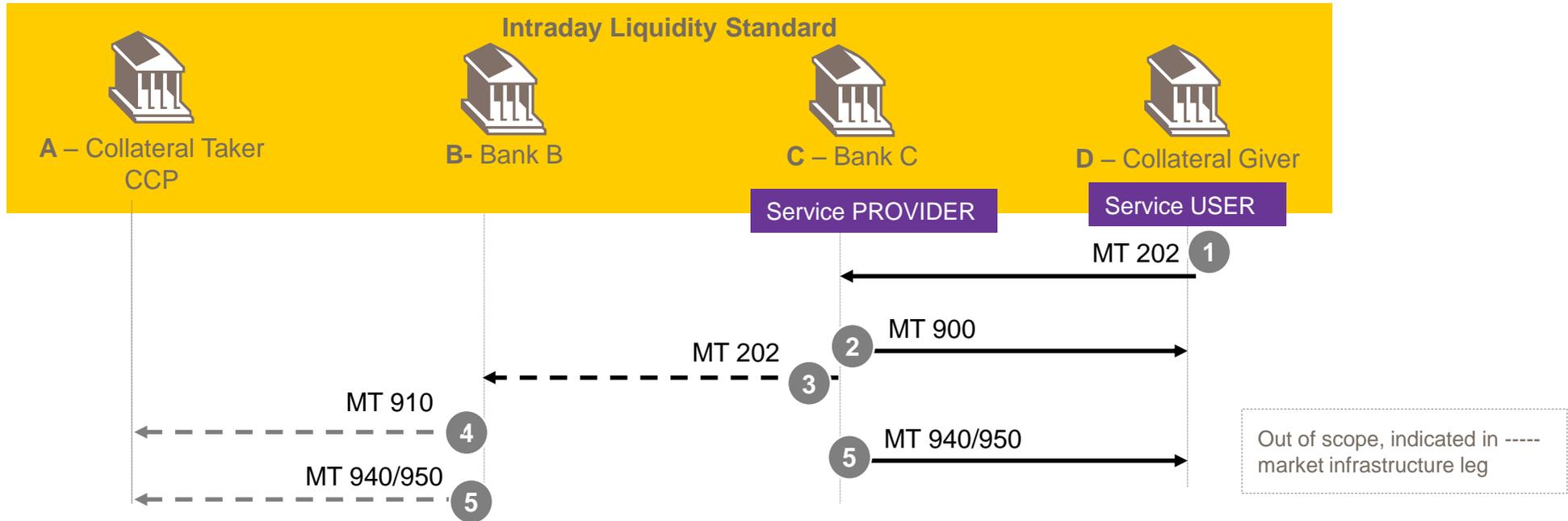
In this scenario, the central counterparty is debiting directly the collateral giver’s account. The account servicer is confirming the actual debit/credit by sending MT 900 and MT 910 to the relevant parties. In this case the account servicer is the same for the collateral giver and collateral taker.

# Business Flow for use case 5: Cleared Margin call - Excess cash recall



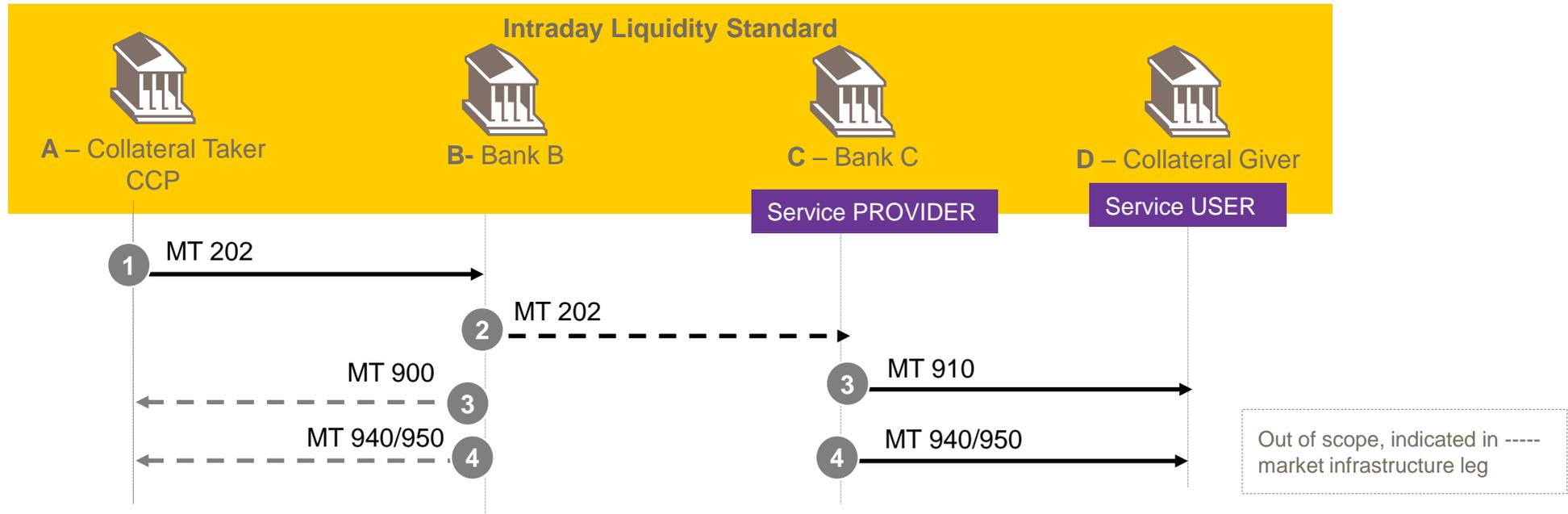
In this scenario, the central counterparty is crediting directly the collateral giver's account. The account servicer is confirming the actual debit/credit by sending MT 900 and MT 910 to the relevant parties. In this case the account servicer is the same for the collateral giver and collateral taker.

# Business flow for use case 6: Non cleared Margin call - Excess cash posting



In this scenario, when the Collateral Giver does not have the same account servicing institution as the Collateral Taker, each account servicing institution will respectively confirm the debit and the credit entry on their account.

# Business flow for use case 7: Non cleared Margin call - Excess cash recall



In this scenario, when the Collateral Taker does not have the same account servicing institution as the Collateral Giver, each account servicing institution will respectively confirm the debit and the credit entry on their account.

# Use cases for reporting of cash movements related to a Securities Settlement

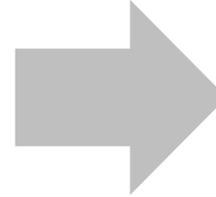
## Custodian Accounts & Regular Nostro Accounts



## Securities settlement use cases – two categories

### Category 1 – Not included in the scope of the IDL standard

The Custodian services a cash account on behalf of the Broker Dealer. Settlement takes place in the currency of that cash account.



Use MT 545/547 for Intraday liquidity reporting – Not included in the scope of the IDL standard

Cash information consists of:

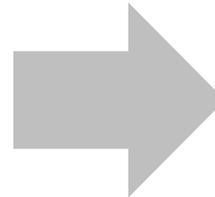
- value date and time (98C),
- effective settlement date and time (98C),
- cash account\*

Note concerning dates: if value date and time (98C) is present, use for IDL. If not present, or value date is present without time indication (98A), use effective settlement date and time (98C)(considered equal to value date and time).

MT 900 or an MT 910 can be sent in addition to the MT 545 and to the MT 547 based on a bilateral agreement.

### Category 2 – Included in the scope of the IDL standard where applicable

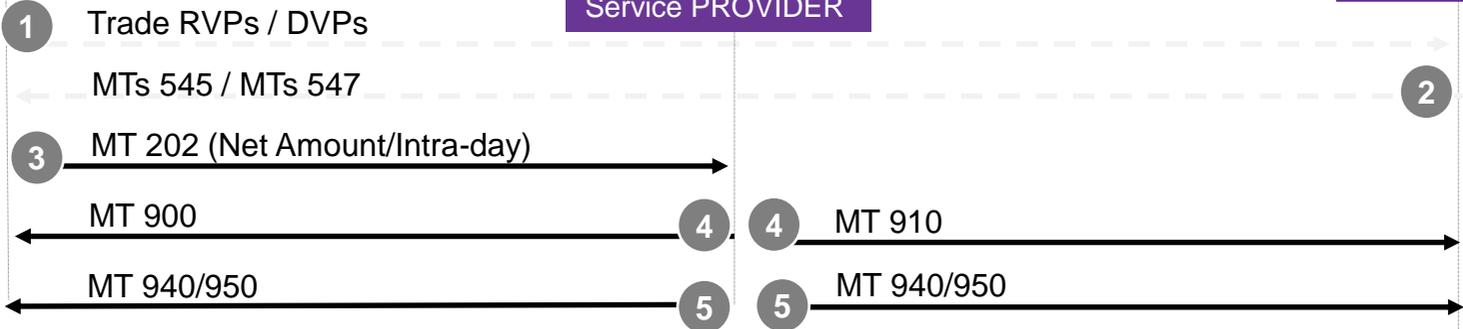
- Use case 8: The Custodian does not service a cash account on behalf of the Broker Dealer. The Broker Dealer has established a credit line or posted collateral at the Custodian for settlement of securities transactions and pays a netted amount.
- Use case 9: The Custodian does not service a cash account on behalf of the Broker Dealer. The Custodian has been authorised to debit the account of the Broker Dealer at the cash provider.
- Use case 10 : The Custodian services a cash account on behalf of the Broker Dealer. Settlement does not take place in the currency of that cash account (DVP use case)



Use MT 900/910 for IDL

\* If the cash account number of the account owner with the account servicer is equal to the safekeeping account number, only the safekeeping account number must be indicated in a MT 545/547. If they are different, the cash account number must be indicated in addition to the safekeeping account number.

# Business flow for securities settlement use case 8 - Cash netted settlement by custodian



Out of scope, lines indicated in - - - - -

**No Broker Dealer cash account held by Custodian  
 Broker Dealer pays net between DVP/RVP via Account Servicer Cash Correspondent.**

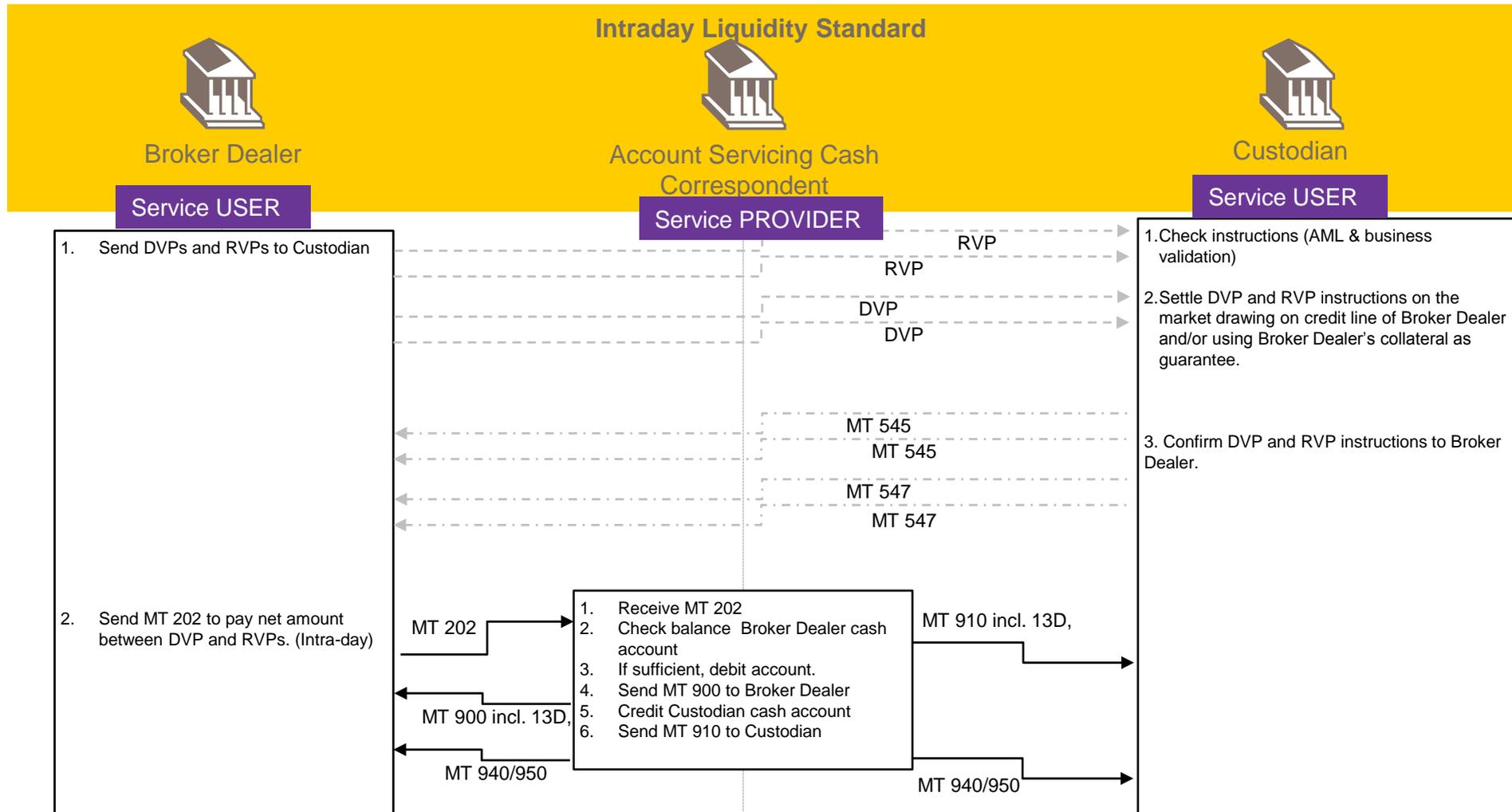
From an IDL point of view, the Broker Dealer must use the MT 900 from the Account Servicer Cash Correspondent. The MT 545 can not be used for IDL since the Custodian does not service a cash account for the Broker Dealer.

**Broker Dealer has established :**

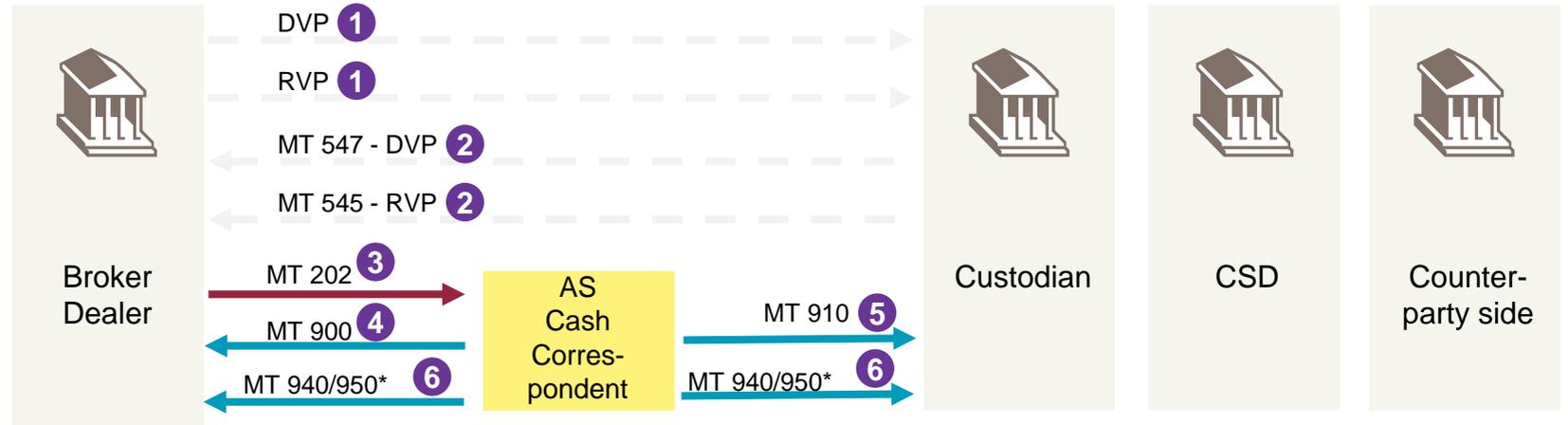
- A credit line or,
- Collateral at Custodian for settlement of securities transactions



# Functional Flow - Business rules for use case 8 – Cash netted settlement by custodian



# Message flow – Technical rules for Securities settlement use case – 8 – Cash netted settlement by custodian



**3**  
 BROKER DEALER BIC  
**MT 202**  
 AS CASH CORRESPONDENT BIC

```
:20:refbrokerdealer
:21:reference linked to DVPs/RVPs
:32A:161005EUR100000,
:58a: (Custodian)
```

**4**  
 AS CASH CORRESPONDENT BIC  
**MT 900**  
 BROKER DEALER BIC

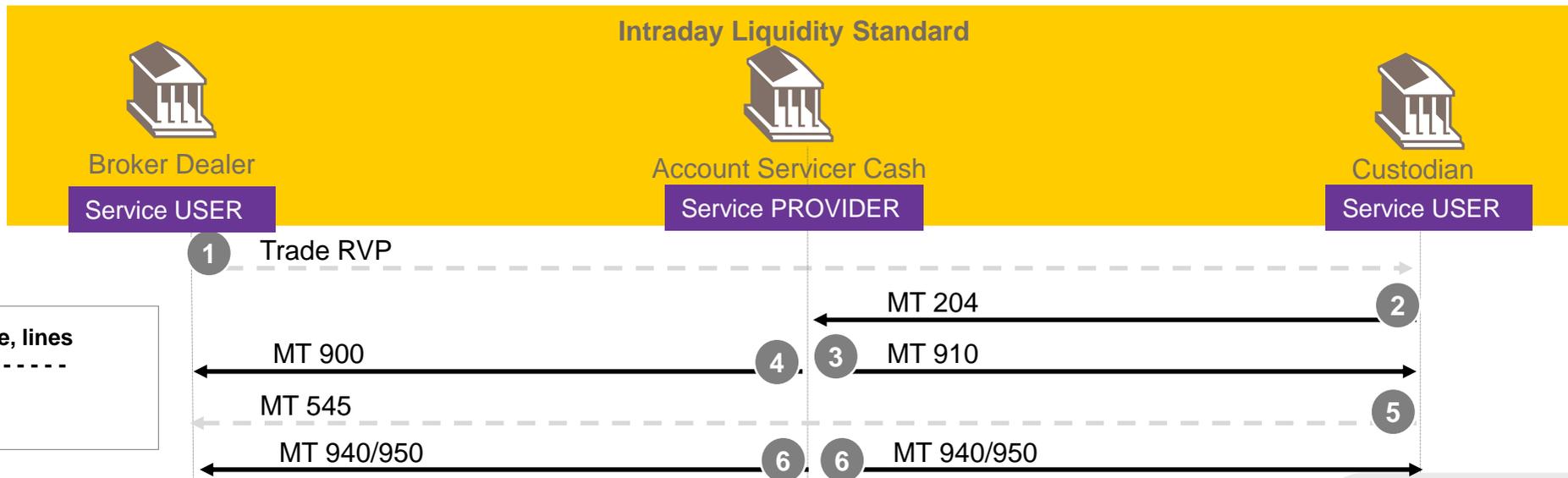
```
:20:refASCashCorr1
:21:ref 20 of MT 202
:25:broker dealer cash @Account Servicing Cash Correspondent
:13D:1610051700+0000
:32A:161005EUR100000,
```

**5**  
 AS CASH CORRESPONDENT BIC  
**MT 910**  
 CUSTODIAN BIC

```
:20:refASCashCorr2
:21:ref 21 of MT 202
:25:custodian account @Account Servicing Cash Correspondent
:13D:1610051700+0000
:32A:161005EUR100000,
:52a: (Broker Dealer)
```



# Business flow for securities settlement use case – 9 – Securities and cash settlement by custodian (RVP)



Out of scope, lines indicated in - - - - -

**No Broker Dealer cash account held by Custodian  
Custodian has been authorised to debit the account of the Broker Dealer at the Cash Provider.**

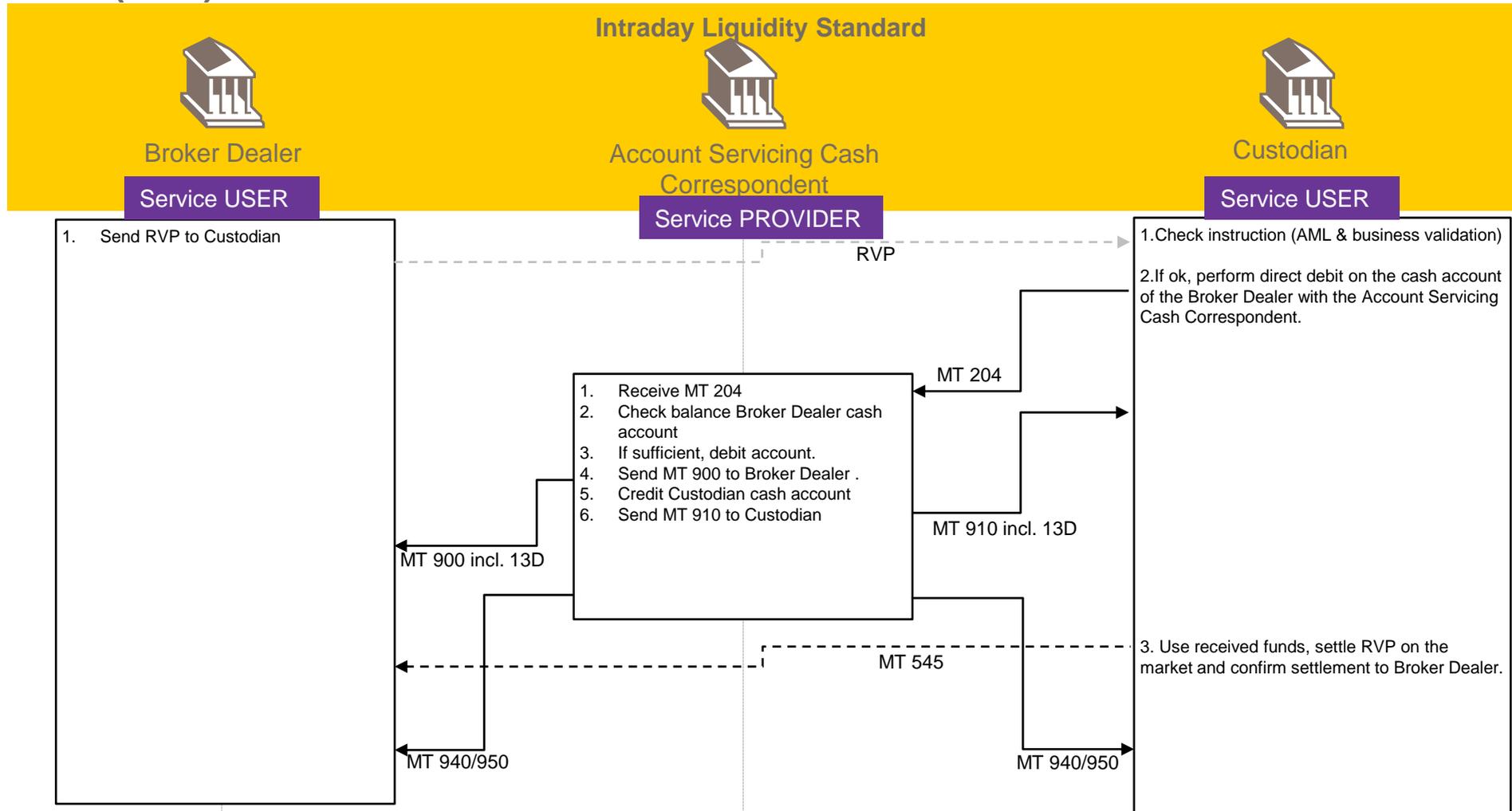
From an IDL point of view, the Broker Dealer must use the MT 900 from the Account Servicer Cash Correspondent. The MT 545 can not be used for IDL since the Custodian does not service a cash account for the Broker Dealer.

**Remarks:**

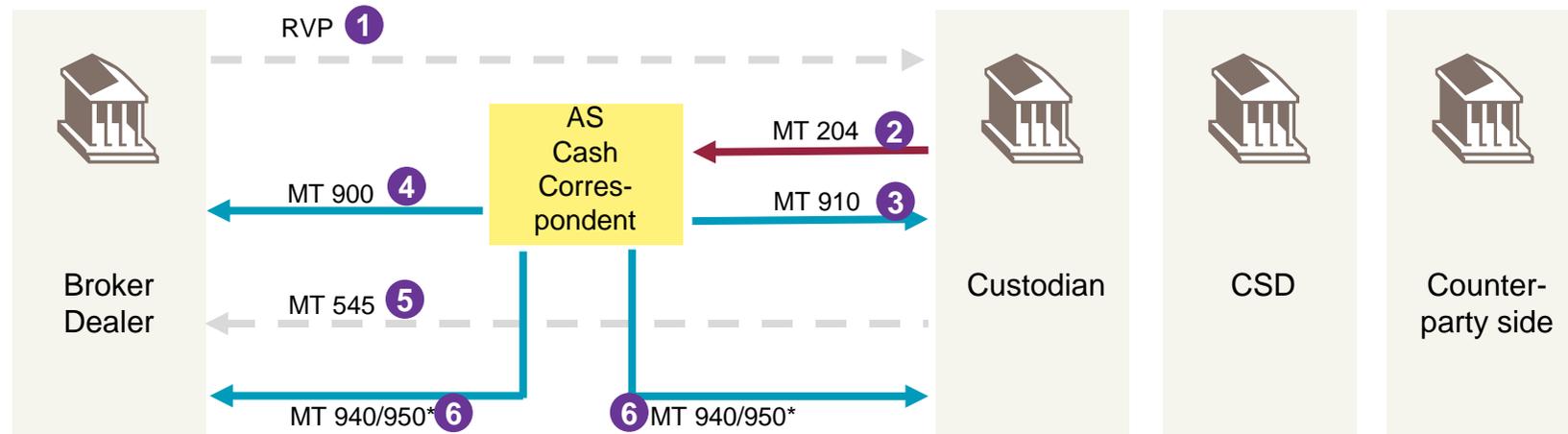
- MT 204 (Financial Markets Direct Debit) should be used in step 2 to request for the debit of the Broker Dealer cash account at the AS Cash Correspondent.



# Functional flow - Business rules for use case 9 – Securities and cash settlement by custodian (RVP)



# Message flow – Technical specifications for Securities settlement use case – 9 – Securities and cash settlement by custodian (RVP)



4

AS SERVICING CASH CORRESPONDENT BIC

**MT 900**

BROKER DEALER BIC

:20:refASCashCorr1

:21:123 (ref 21 of MT 204 & SEME ref of MT 541)

:25:broker dealer cash @Account Servicing Cash Correspondent

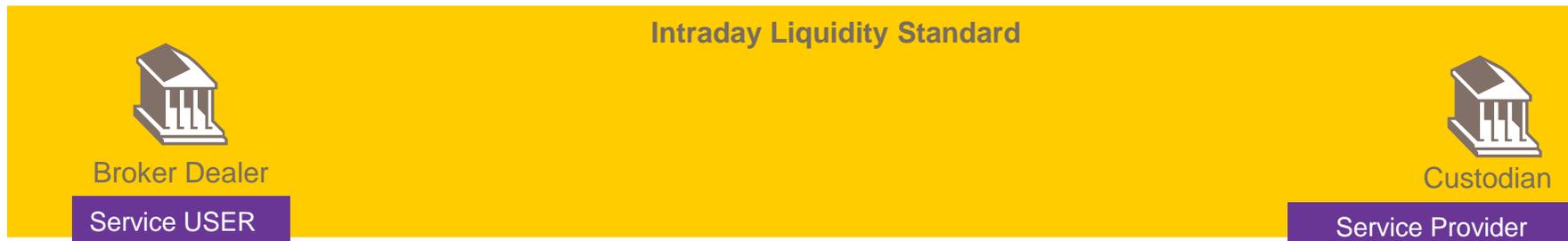
**:13D:1610051615+0000**

:32A:161005EUR100000,

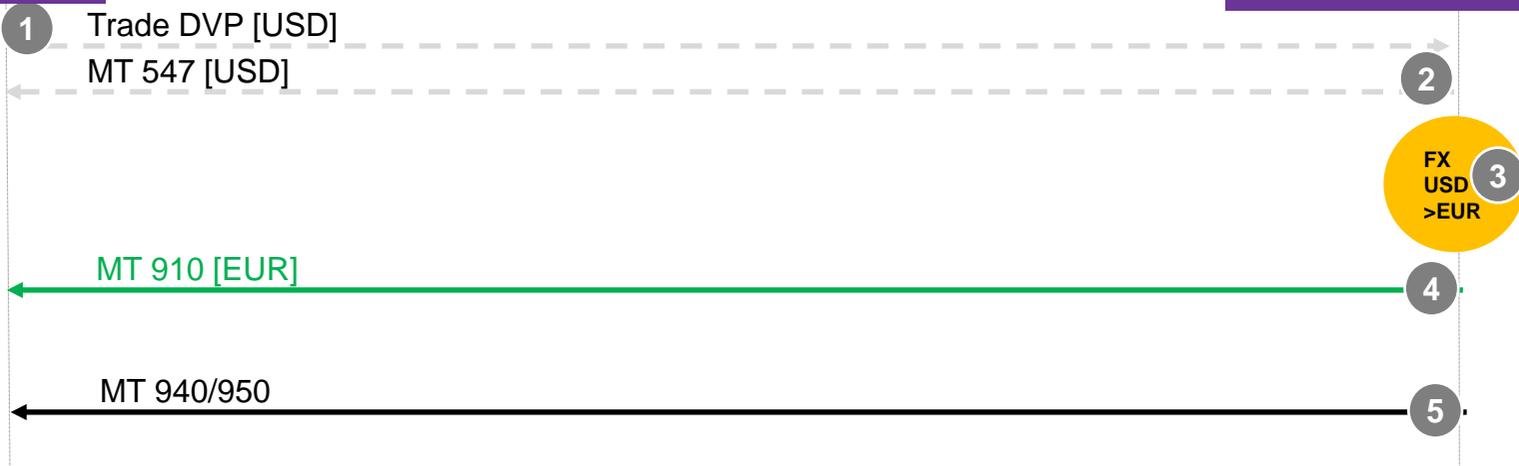
\* Need to provide daily balance even if no transaction



# Business flow for securities settlement use cases – 10 – Securities and cash settlement by custodian (DVP) with FX



- Custodian:**
- Settles DVP instruction on market in foreign currency [eg USD], performs FX between received foreign currency and currency of Broker Dealer cash account [EUR].
  - After FX, confirms credit of converted cash amount (via MT 910) to Broker Dealer cash account.



Out of scope, lines indicated in - - - - -

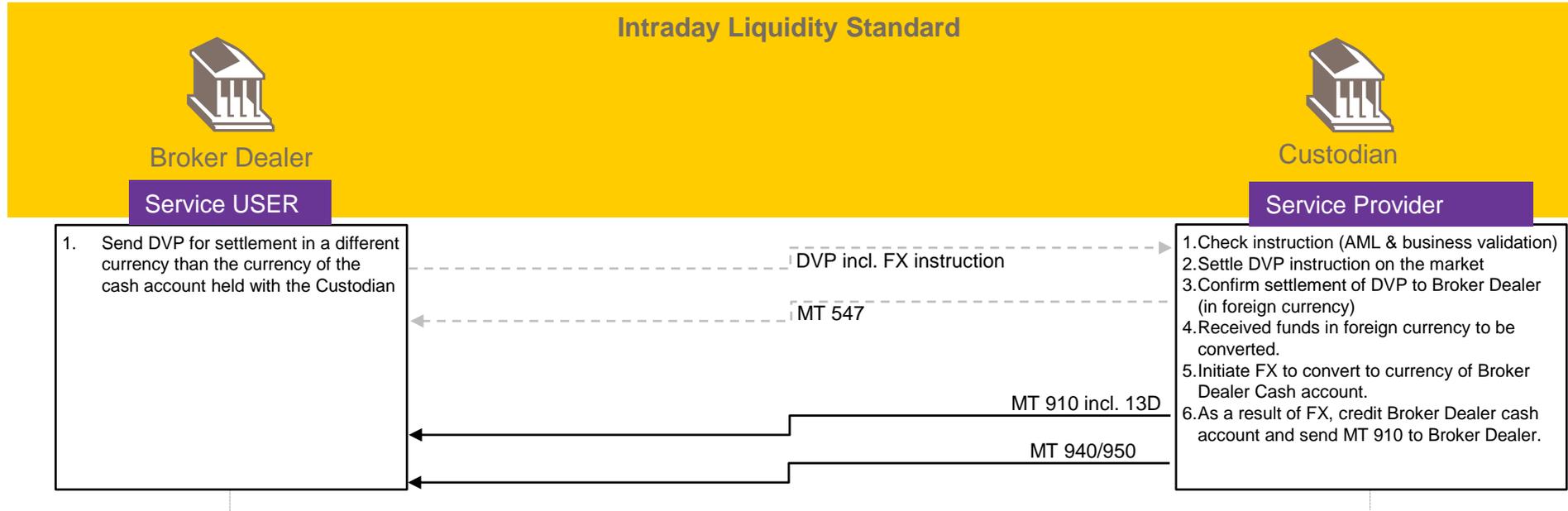
Step 4 not always provided today. Standard mandates it.

**Broker Dealer cash account held by Custodian  
Settlement instruction in a currency different  
from cash account currency**

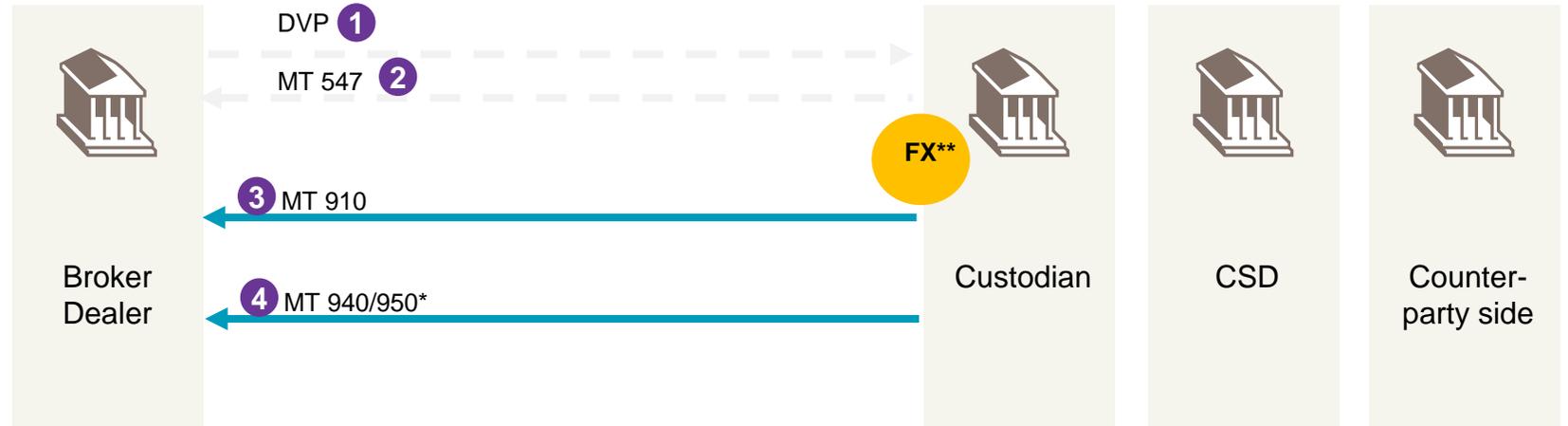
The Custodian can not send the MT 547 for IDL since it shows a cash movement expressed in a different currency (eg USD) than the currency of the Broker/Dealer cash account with the custodian (eg EUR), hence, the MT 910 (green arrow) from the Custodian is needed to fulfil the Intra-day Liquidity Reporting requirements.



# Functional flow - Business rules for use case 10 – Securities and cash settlement by custodian (DVP) with FX



# Message flow – Technical rules for Securities settlement use case – 10 Securities and cash settlement by custodian (DVP) with FX 1/2



**1**  
BROKER DEALER BIC  
DVP (MT 543)  
CUSTODIAN BIC

## A. General Information

```
:16R:GENL
:20C::SEME//123
:23G:NEWM
:98C::PREP//20171003153000
:16S:GENL
```

## B. Trade DetaIDL

```
:16R:TRADDET
:98A::TRAD//20171003
:98A::SETT//20171005
:35B:ISIN XYZ
::11A::FXIB//EUR
:16S:TRADDET
```

## C. Financial Instrument/Account

```
:16R:FIAC
:36B::SETT//UNIT/1500,
:97A::SAFE//C456123
:16S:FIAC
```

## E. Settlement DetaIDL

```
:16R:SETDET
:22F::SETR//TRAD
```

## E.1. Settlement Parties

```
:16R:SETPRTY
:95P::REAG//COUNTERPARTY BIC
:16S:SETPRTY
```

## E.1. Settlement Parties

```
:16R:SETPRTY
:95P::PSET//CSD BIC
:16S:SETPRTY
```

## E.3. Amounts

```
:16R:AMT
:19A::SETT//USD150000,
:16S:AMT
```

```
:16S:SETDET
```

**2**  
BROKER DEALER BIC  
MT 547  
CUSTODIAN BIC

## A. General Information

```
:16R:GENL
:20C::SEME//ABC
:23G:NEWM
:98C::PREP//20171005160000
```

```
:16R:LINK
:20C::RELA//123
:16S:LINK
```

```
:16S:GENL
```

## B. Trade DetaIDL

```
:16R:TRADDET
:98A::TRAD//20171003
:98A::ESET//20171005
:35B:ISIN XYZ
::11A::FXIB//EUR
:16S:TRADDET
```

## C. Financial Instrument/Account

```
:16R:FIAC
:36B::ESTT//UNIT/1500,
:97A::SAFE//C456123
:16S:FIAC
```

## E. Settlement DetaIDL

```
:16R:SETDET
:22F::SETR//TRAD
```

## E.1. Settlement Parties

```
:16R:SETPRTY
:95P::REAG//COUNTERPARTY BIC
:16S:SETPRTY
```

## E.1. Settlement Parties

```
:16R:SETPRTY
:95P::PSET//CSD BIC
:16S:SETPRTY
```

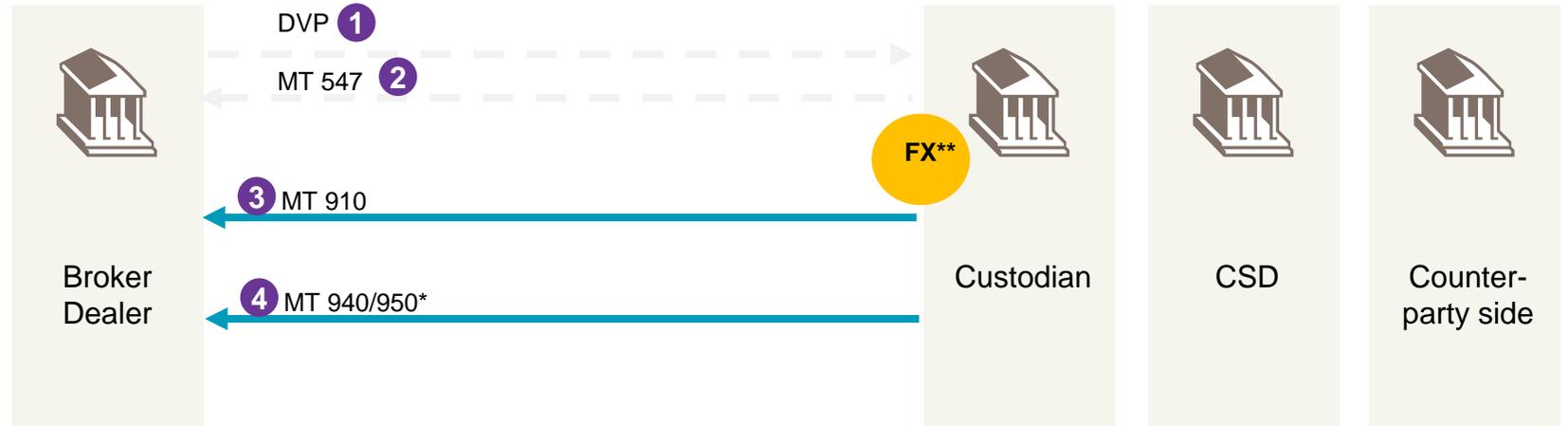
## E.3. Amounts

```
:16R:AMT
:19A::ESTT//USD150000,
:16S:AMT
```

```
:16S:SETDET
```



# Message flow – Technical rules for Securities settlement use case – 10 – Securities and cash settlement by custodian (DVP) with FX 2/2



3

CUSTODIAN BIC

**MT 910**

BROKER DEALER BIC

:20:refCustodian1

:21:123 (SEME ref of MT 543)

:25:broker dealer cash @Custodian

**:13D:1610051630+0000**

:32A:161005EUR100000,

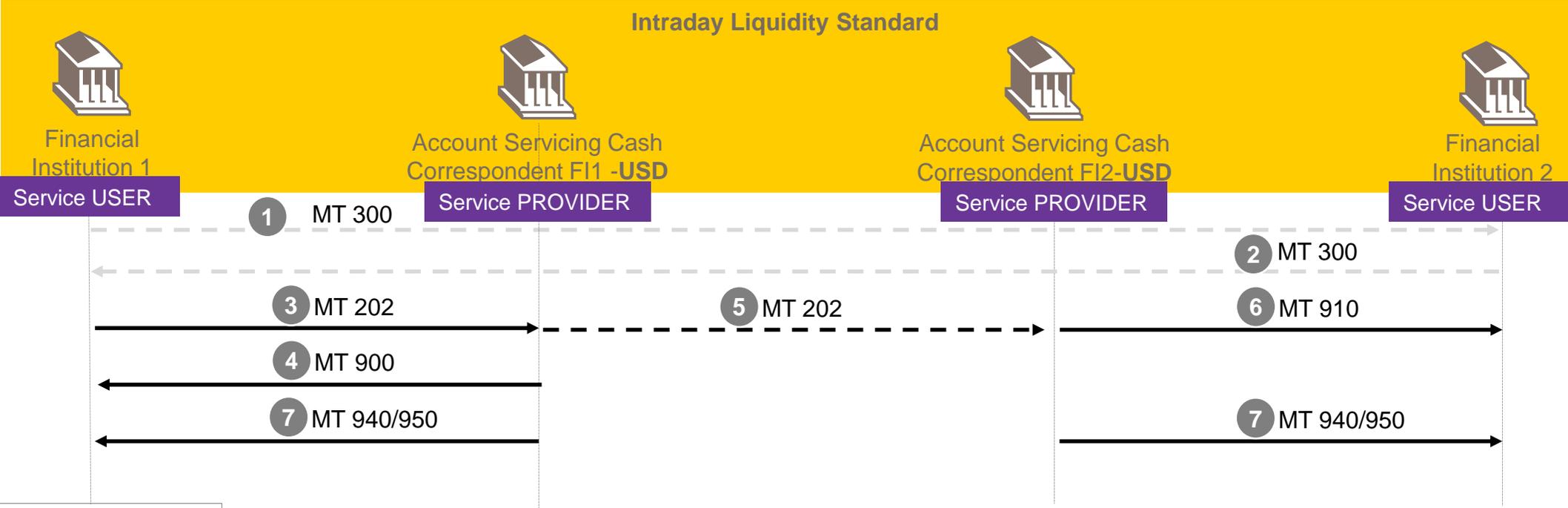
The Custodian can not send the MT 547 for IDL since it shows a cash movement expressed in a different currency (eg USD) than the currency of the Broker/Dealer cash account with the custodian (eg EUR), hence, the MT 910 (arrow 3) from the Custodian is needed to fulfil the Intra-day Liquidity Reporting requirements.



# Use cases on FX deals



# Business flow for FX use case 11 – Deal between 2 FI’s - Settlement through Nostro accounts with MT 202

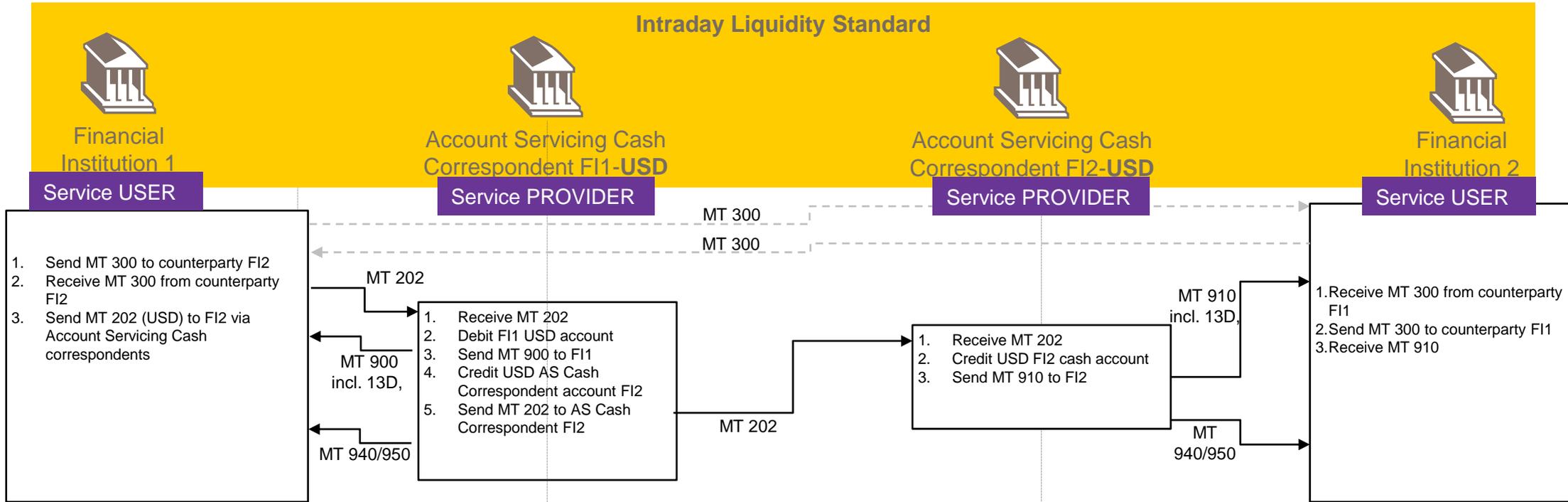


From IDL point of view, MT 900/910 must be used. MTs 300 can not be used as they do not confirm debit/credit of involved cash accounts and are sent on trade date, not settlement date, so they are not relevant for liquidity management intra-day.

Note: Please note that only one settlement leg (USD) is represented on this slide. Second leg will be similar. Only the MTs 900/910 between AS Cash Correspondents of FI1 and FI2 are not shown. MT 210 is not shown.



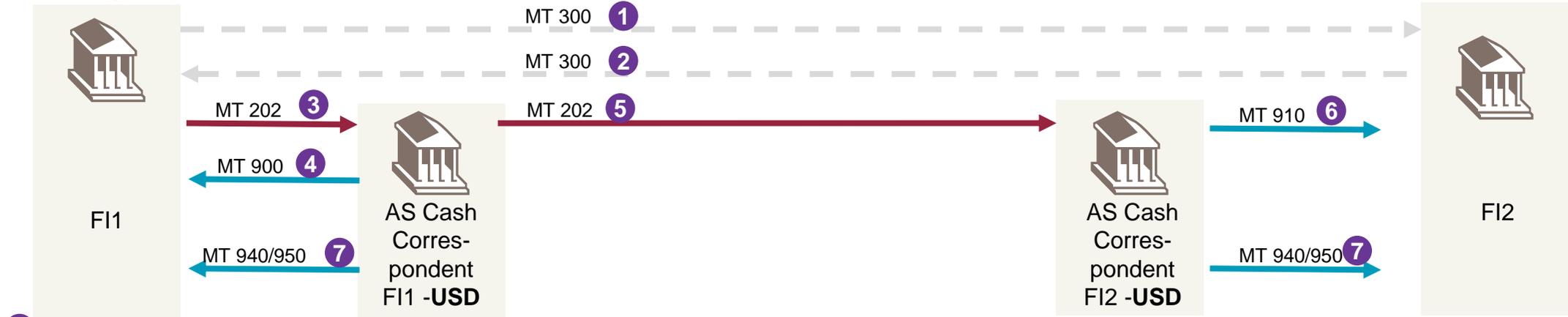
# Functional flow – Business flow for FX use case 11 – Deal between 2 FI's - Settlement through Nostro accounts with MT 202



**Note: Please note that only one settlement leg (USD) is represented on this slide. Second leg will be similar. Only the MTs 900/910 between AS Cash Correspondents of FI1 and FI2 are not shown. MT 210 is not shown**



# Message flow – Technical rules for FX use case 11 – Deal between 2 FI's - Settlement through Nostro accounts with MT 202 1/2



**1**

Mandatory Sequence A General Information		
F11 BIC	M :15A:	New Sequence
MT 300	M :20:	Sender's Reference
F12 BIC	M :22A:	Type of Operation
	M :22C:	Common Reference
	M :82A:	Party A
	M :87A:	Party B
Mandatory Sequence B Transaction Detail		
	M :15B:	New Sequence
	M :30T:	Trade Date
	M :30V:	Value Date
	M :36:	Exchange Rate
Mandatory Subsequence B1 Amount Bought		
	M :32B:	Currency, Amount
	O :53A:	Delivery Agent
	M :57A:	Receiving Agent
<b>Mandatory Subsequence B2 Amount Sold</b>		
	<b>M :33B:</b>	<b>Currency, Amount</b>
	<b>O :53A:</b>	<b>Delivery Agent</b>
	<b>M :57A:</b>	<b>Receiving Agent</b>

	123
	NEWT
	aaaaccnnnnbbbbbcc (ref must be equal in both MTs 300)
	F11 BIC
	F12 BIC
	20170604
	20170606
	1,55
	GBP1000000,00
	AS CASH CORRESPONDENT F12 BIC
	AS CASH CORRESPONDENT F11 BIC
	<b>USD1550000,00</b>
	<b>AS CASH CORRESPONDENT F11 BIC</b>
	<b>AS CASH CORRESPONDENT F12 BIC</b>

**Note: Please note that only one settlement leg (B2 Amount Sold-USD) is represented on this slide. Second leg will be similar.**

Also: Only the MTs 900/910 between AS Cash Correspondents of F11 and F12 are not shown. MTs 210 is not shown



# Message flow – Technical rules for FX use case 11 – Deal between 2 FI's - Settlement through Nostro accounts with MT 202 2/2



4

AS CASH CORRESPONDENT FI1 BIC

**MT 900**

FI1 BIC

```
:20:refASCashCorrFI1
:21:ref 20 of MT 202
:25:FI1 account @Account Servicing Cash Correspondent FI1
:13D:1606061000+0000
:32A:160606USD1550000,00
```

6

AS CASH CORRESPONDENT FI2 BIC

**MT 910**

FI2 BIC

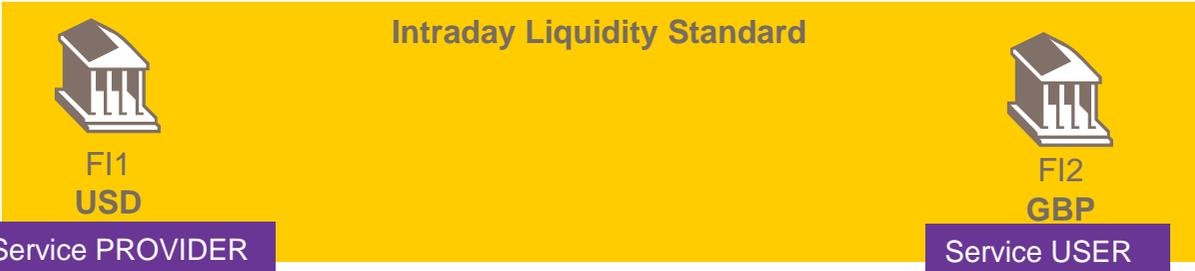
```
:20:refASCashCorrFI2
:21:ref 21 of MT 202 & common ref MT 300 (aaaaccnnnnbbbbbcc)
:25:FI2 account @Account Servicing Cash Correspondent FI2
:13D:1606061000+0000
:32A:160606USD1550000,00
```

Note: **Please note that only one settlement leg (B2 Amount Sold) is represented on this slide.** Second leg will be similar.

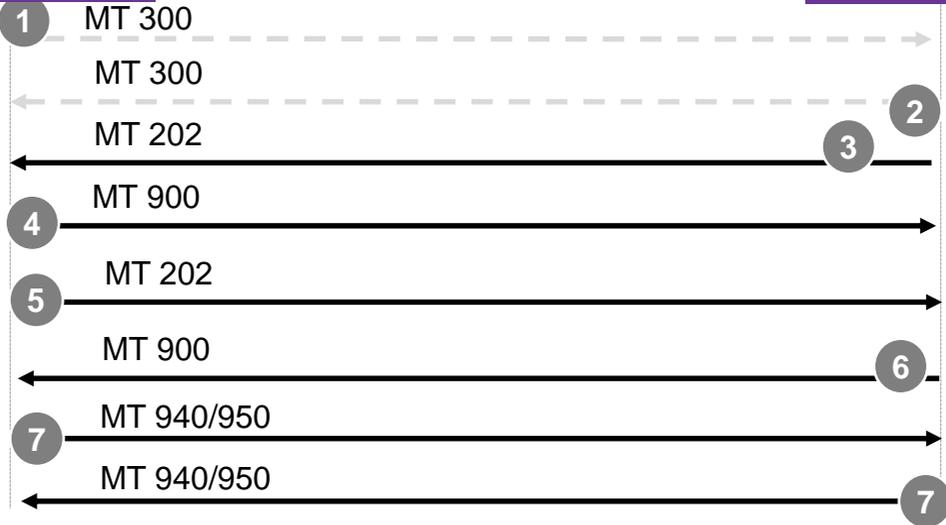
Also: Only the MTs 900/910 between AS Cash Correspondents of FI1 and FI2 are not shown. MT 210 is not shown



# Business Flow chart for FX use case 12 – Deal between 2 FI's – 2 FI's have a Nostro account relationship (i.e. FI 1 is the USD Nostro provider of FI 2 and FI 2 is the GBP Nostro provider of FI 1)



Out of scope, lines indicated in - - - -

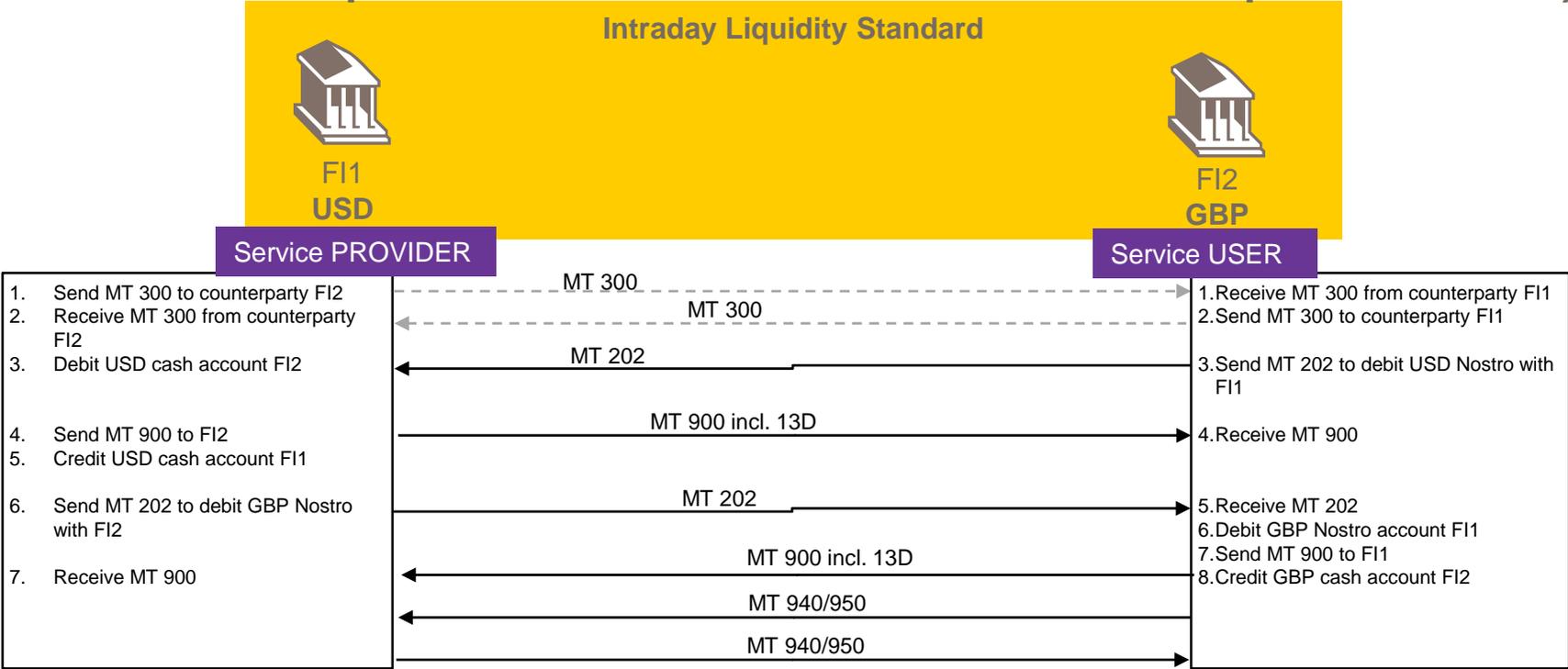


From IDL point of view, MT 900/910 must be used. MTs 300 can not be used as they do not confirm debit/credit of involved cash accounts and are sent on trade date, not settlement date, so they are not relevant for liquidity management intra-day.



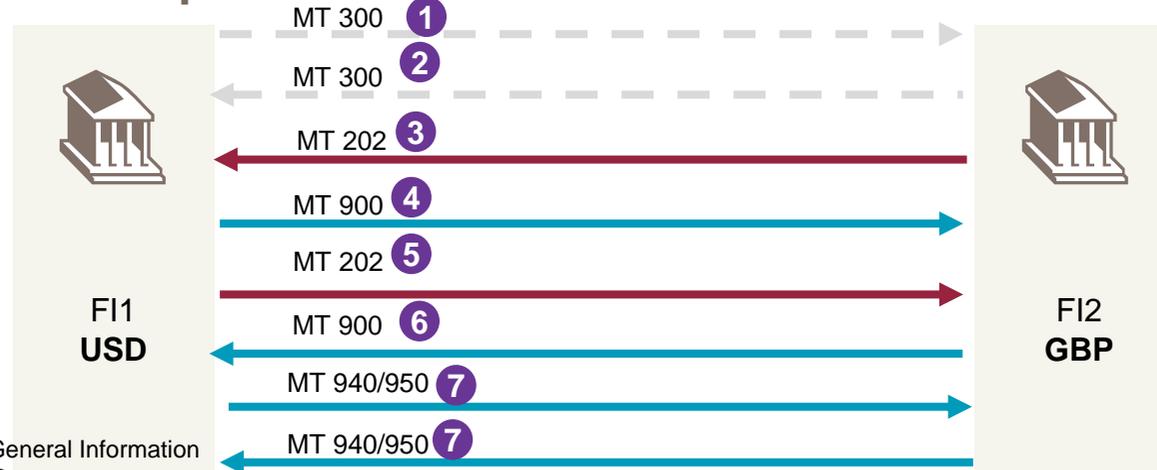
# Functional flow – Business rules for FX use case 12 – Deal between 2 FI's – 2 FI's have a Nostro account relationship

(i.e. FI 1 is the USD Nostro provider of FI 2 and FI 2 is the GBP Nostro provider of FI 1)



# Message flow – Technical rules for FX use case 12 – Deal between 2 FI's – 2 FI's have a Nostro account relationship

(i.e. FI 1 is the USD Nostro provider of FI 2 and FI 2 is the GBP Nostro provider of FI 1)



1	F11 BIC	M	:15A:	New Sequence	123	
	MT 300	M	:20:	Sender's Reference	NEWT	
	F12 BIC	M	:22A:	Type of Operation	aaaaccnnnnbbbbbcc (ref must be equal in both MTs 300)	
		M	:82A:	Party A	F11 BIC	
		M	:87A:	Party B	F12 BIC	
		M	:15B:	New Sequence		
		M	:30T:	Trade Date	20170604	
		M	:30V:	Value Date	20170606	
		M	:36:	Exchange Rate	1,55	
		M	:32B:	Currency, Amount	GBP1000000,00	
		O	:53A:	Delivery Agent	F11 BIC	
		M	:57A:	Receiving Agent	F12 BIC	
		M	:33B:	Currency, Amount	USD1550000,00	
	O	:53A:	Delivery Agent	F12 BIC		
	M	:57A:	Receiving Agent	F11 BIC		

4	F11 BIC	
	MT 900	
	F12 BIC	
	:20:refFI1	
	:21:ref 20 of MT 202	
	:25:FI2 account @ FI1	
:13D:1606061000+0000		
:32A:161005USD1550000,00		

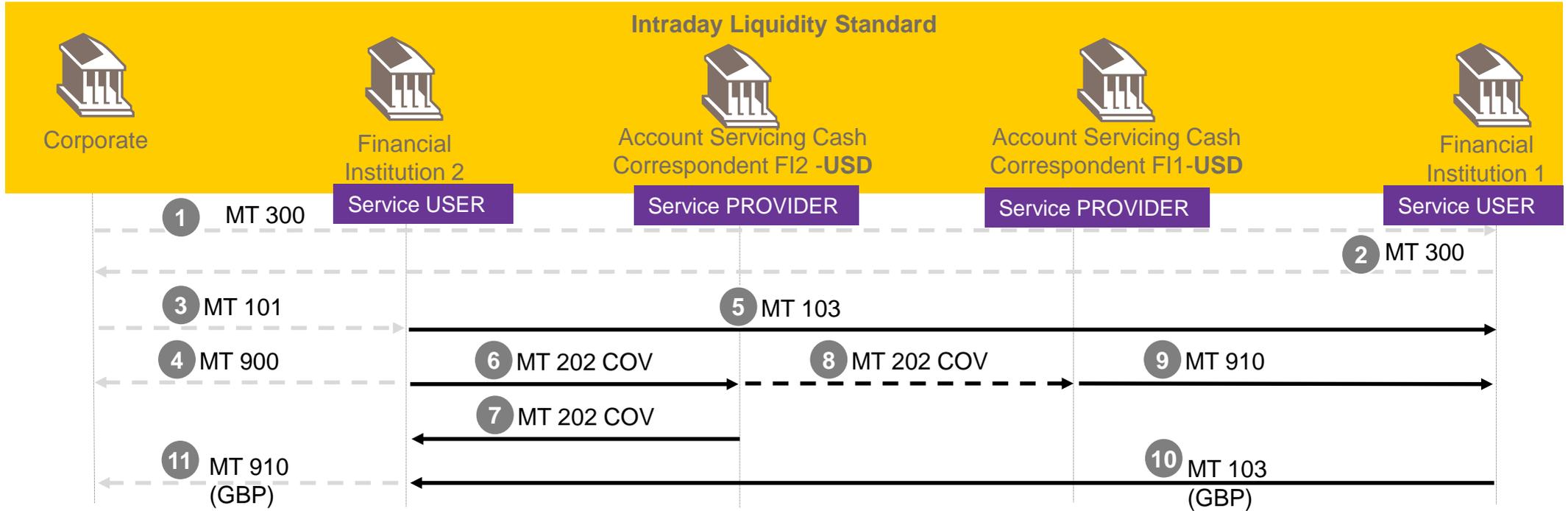
Note: Please note that only one settlement leg (B2 Amount Sold) is represented on this slide. Second leg will be similar.

Also: MT 210 is not shown

If an MT370 – Netting Position Advice is used in addition of MT 300 FX confirmations, Field 20C : NETT// will be used for the related reference



# Business flow chart for FX use case 13 – Deal with corporate - Settlement through Nostro accounts with cover payment



From IDL point of view, MT 900/910 must be used. MTs 300 can not be used as they do not confirm debit/credit of involved cash accounts and are sent on trade date, not settlement date, so they are not relevant for liquidity management intra-day.

Note: Please note that the cover of the 2<sup>nd</sup> leg in GBP (step 10-11) is not shown. Also: MTs 950 are not shown

Out of scope, lines indicated in - - - - -



# Message flow – Technical rules for FX use case 13 – Deal with corporate - Settlement through Nostro accounts with cover payment



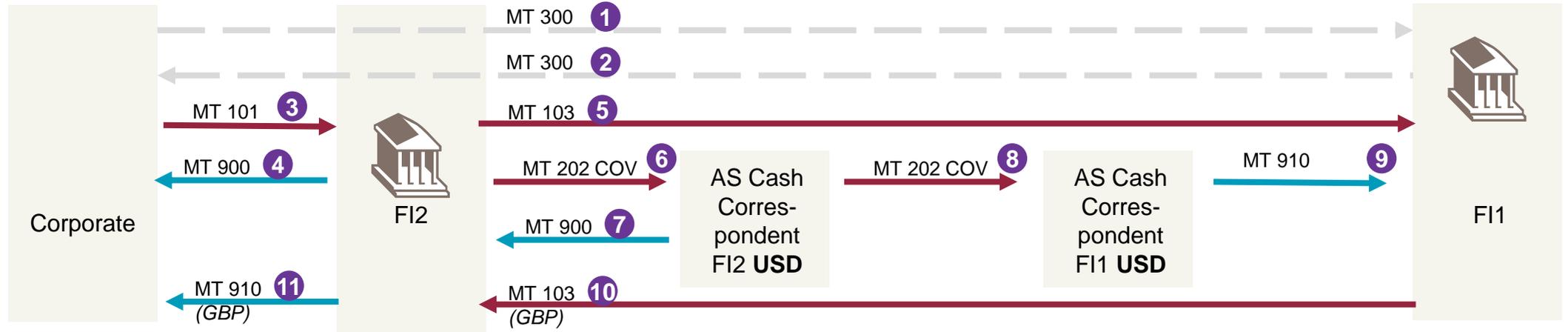
<b>1</b>	Corporate BIC	Mandatory Sequence A General Information	
	MT 300	M :15A: New Sequence	123
	FI1 BIC	M :20: Sender's Reference	NEWT
		M :22A: Type of Operation	aaaaccnnnnbbbbbcc (ref must be equal in both MTs 300)
		M :22C: Common Reference	Corporate BIC
		M :82A: Party A	FI1 BIC
		M :87A: Party B	
		Mandatory Sequence B Transaction Detail	
		M :15B: New Sequence	
		M :30T: Trade Date	20170604
		M :30V: Value Date	20170606
		M :36: Exchange Rate	1,55
		Mandatory Subsequence B1 Amount Bought	
		M :32B: Currency, Amount	GBP1000000,00
		O :53A: Delivery Agent	FI1 BIC
		M :57A: Receiving Agent	FI2 BIC
		<b>Mandatory Subsequence B2 Amount Sold</b>	
		<b>M :33B: Currency, Amount</b>	<b>USD1550000,00</b>
		<b>O :53A: Delivery Agent</b>	<b>FI2 BIC</b>
		<b>O :56A: Intermediary Agent</b>	<b>AS Cash Correspondent FI2 BIC</b>
		<b>M :57A: Receiving Agent</b>	<b>AS Cash Correspondent FI1 BIC</b>

Note: Please note that the cover of the 2<sup>nd</sup> leg (GBP) (step 10-11) is not shown.

Also: MTs 950 are not shown



# Message flow – Technical rules for FX use case 13 – Deal with corporate - Settlement through Nostro accounts with cover payment



5

FI2 BIC  
**MT 103**  
 FI1 BIC  
 :20:refFI2  
 :23B:CRED  
 :32A:160606USD1550000,00  
 :50a:(corporate)  
 :53a:(AS Cash Correspondent FI2)  
 :54a:(AS Cash Correspondent FI1)  
 :59a:(FI1)  
 :70:/ROC/(common ref 22C from MTs 300)  
 :71A:OUR

8

AS Cash Correspondent FI2 BIC  
**MT 202 COV**  
 AS Cash Correspondent FI1 BIC  
 :20:refASCashCorrFI2  
 :21:refFI2  
 :32A:160606USD1550000,00  
 :52a:(FI2)  
 :58a:(FI1)  
 :50a:(corporate)  
 :59a:(FI1)  
 :70:/ROC/(common ref 22C from MTs 300)

9

AS Cash Correspondent FI1 BIC  
**MT 910**  
 FI1 BIC  
 :20:refASCashCorrFI1  
 :21:refFI2  
 :25:FI1 account @ AS Cash Corr FI1  
**:13D:1606061000+0000**  
 :32A:160606USD1550000,00  
 :52a:(FI2)  
 :56a:(AS Cash Corr FI2)

Note: Please note that the cover of the 2<sup>nd</sup> leg (GBP) (step 10-11) is not shown.

Also: MTs 950 are not shown



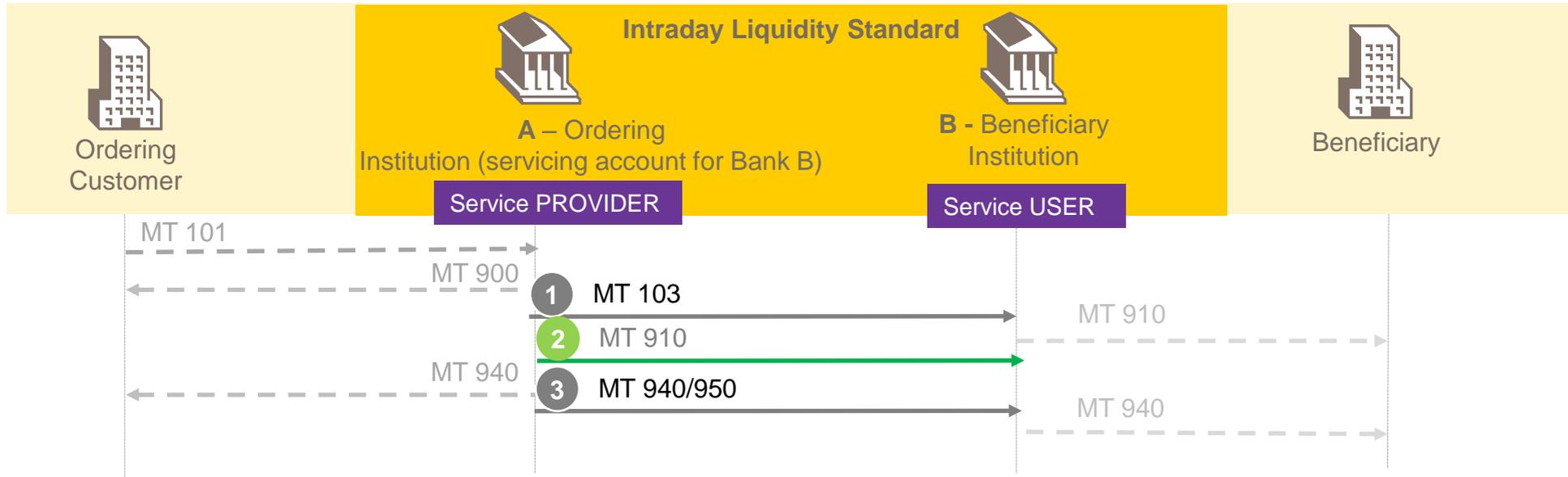
# Use cases for transaction types for which real-time reporting is optional



# Use case when account owner is not the end beneficiary of the payment instruction

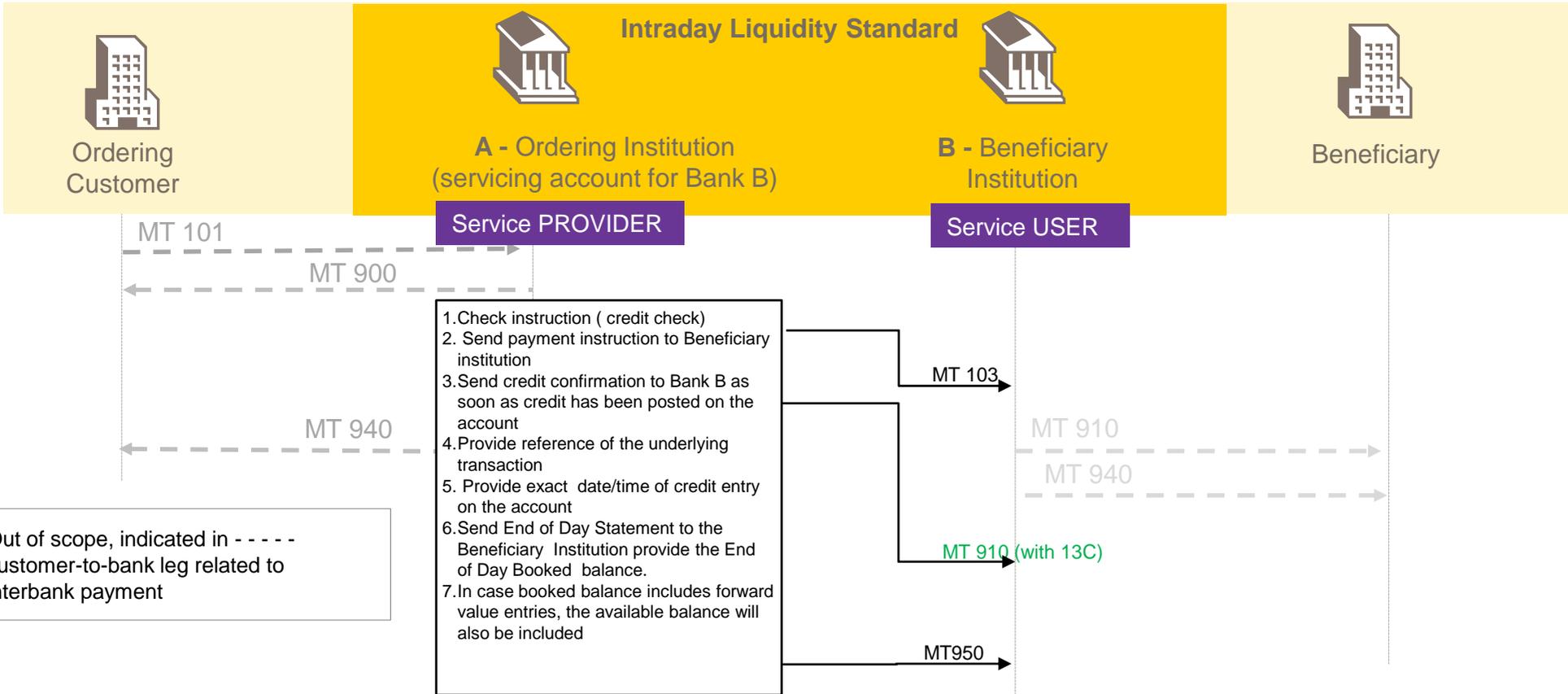


# Business flow for Use case 14 : Beneficiary Institution is not the end beneficiary of MT 103

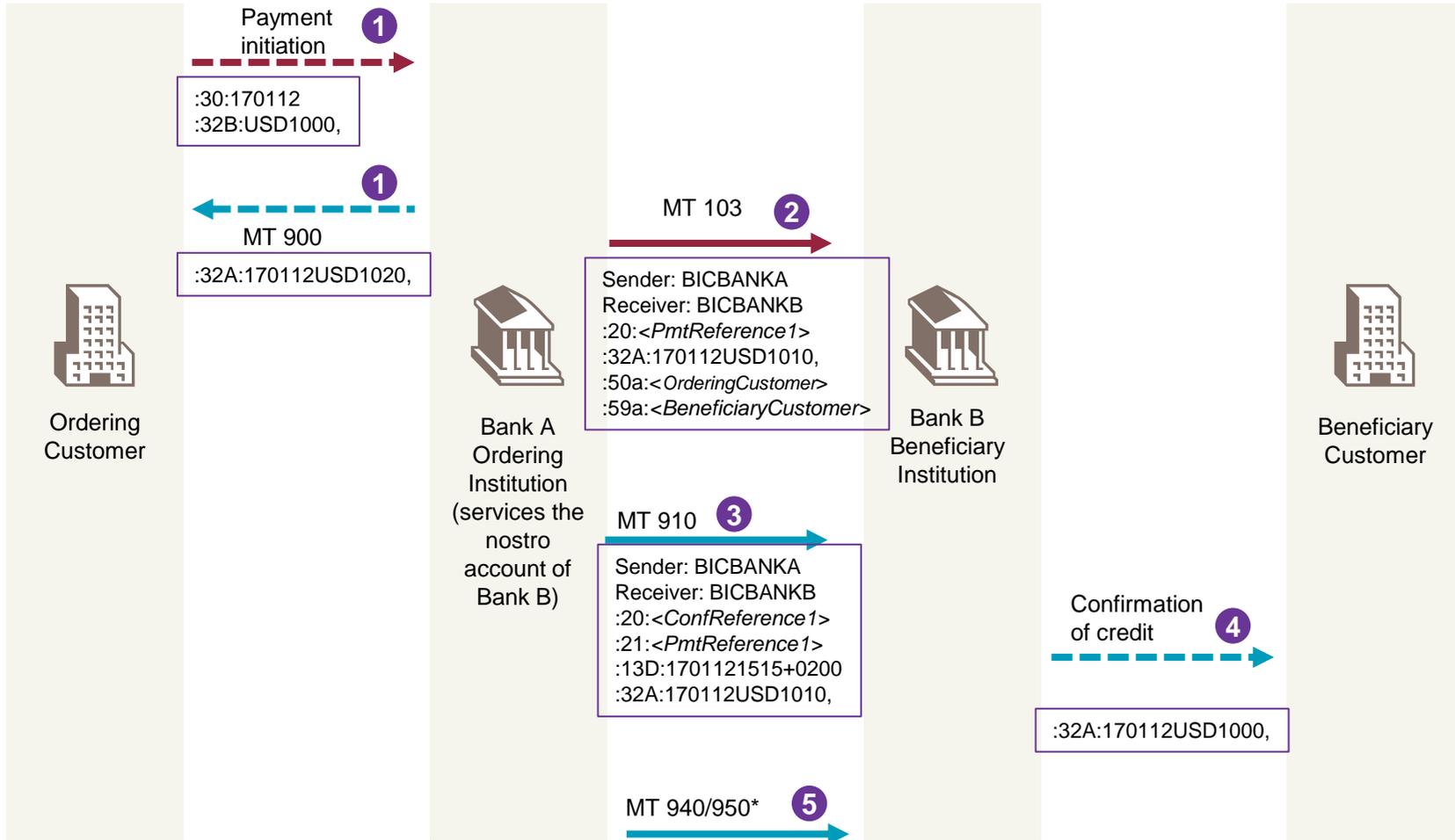


In a serial payment scenario when the sender of the payment (the *Ordering Institution A* in this scenario) is the *account servicing institution* for the receiving institution of the MT 103 (the *Beneficiary Institution B* in this scenario) and this account owner (*Beneficiary Institution B*) is not the end beneficiary of the payment, the *Ordering Institution* can send a credit confirmation to support accurate regulatory reporting of Bank B **2**

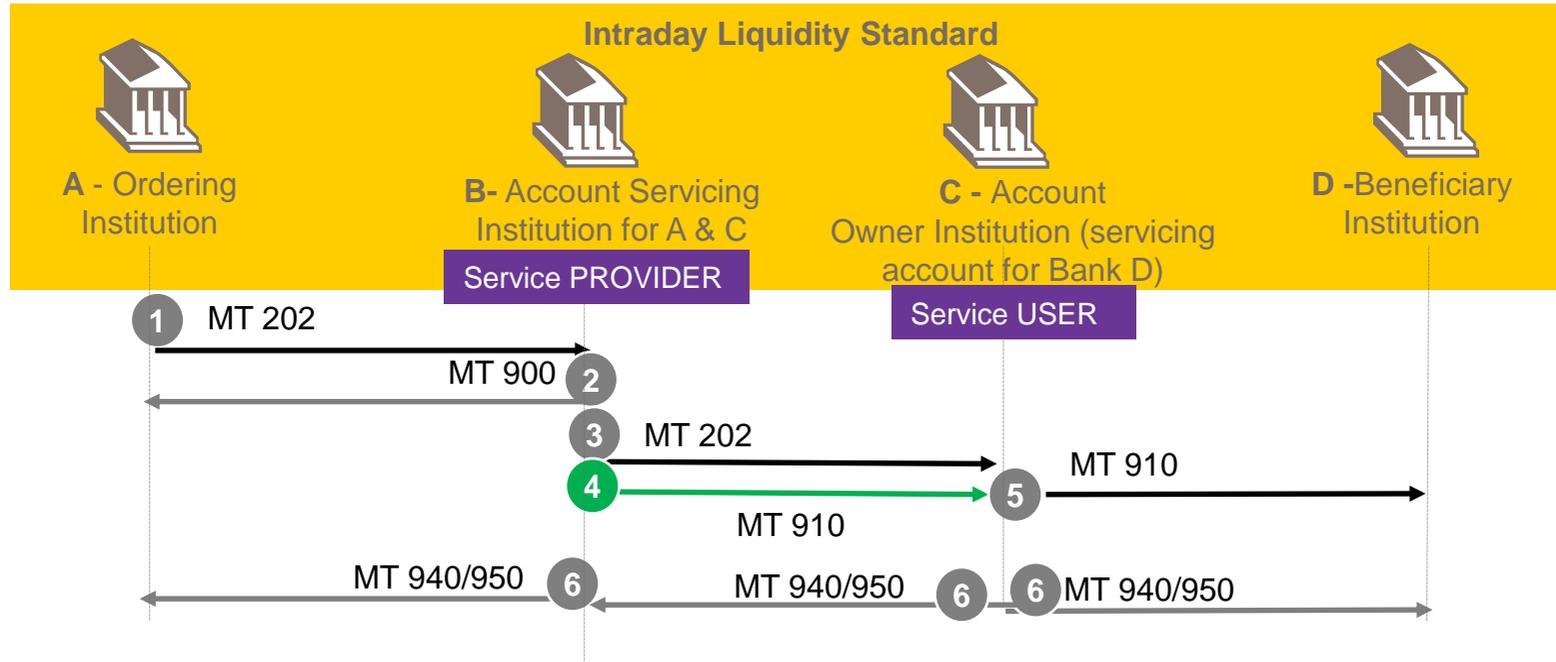
# Functional flow - Business rules for Use case 14: Beneficiary Institution is not the end beneficiary of MT 103



# Message flow – Technical rules for Use case 14: Beneficiary Institution is not the end beneficiary of MT 103

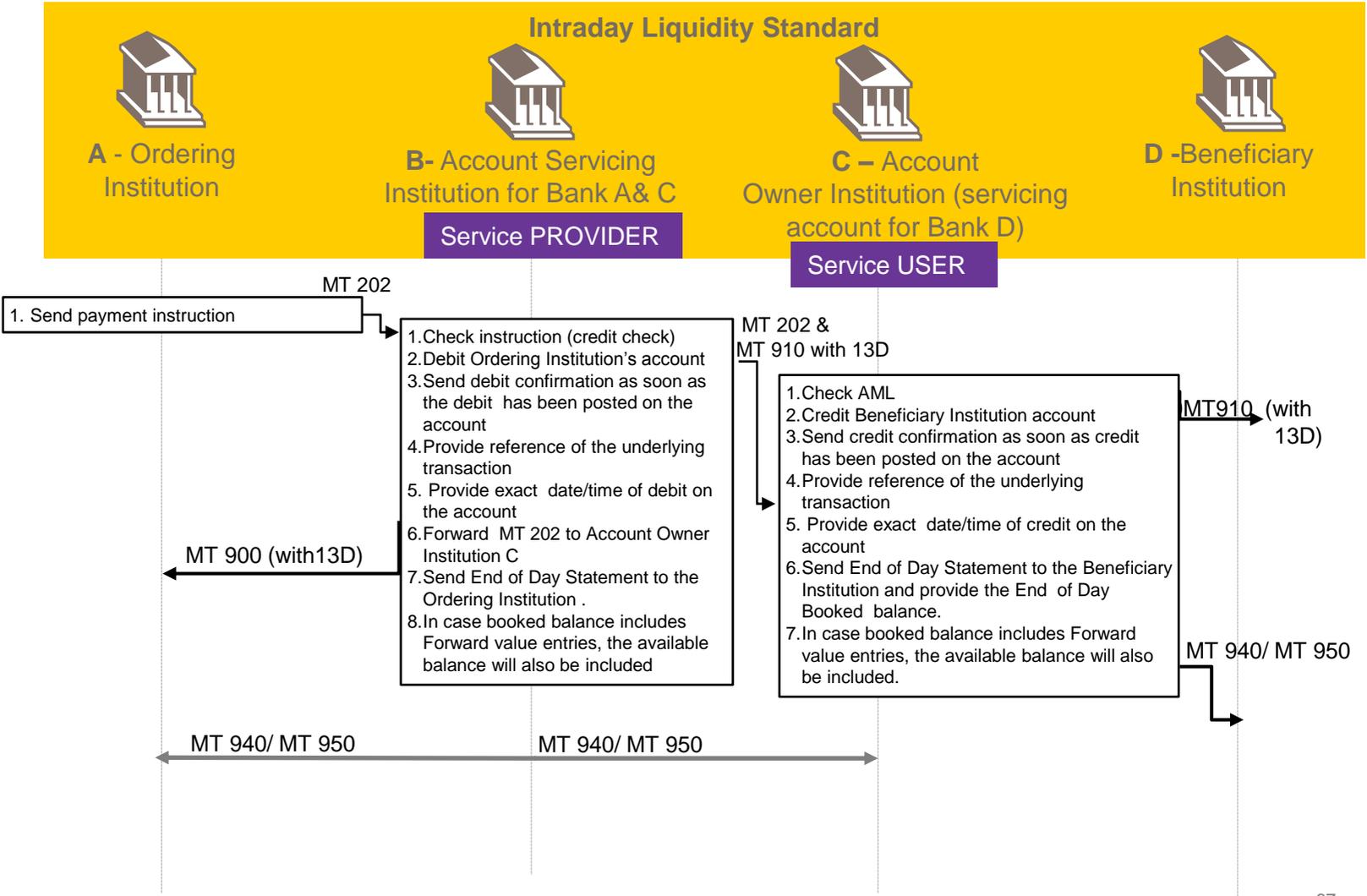


# Business flow for Use case 15 : Beneficiary Institution is not the end beneficiary of MT 202

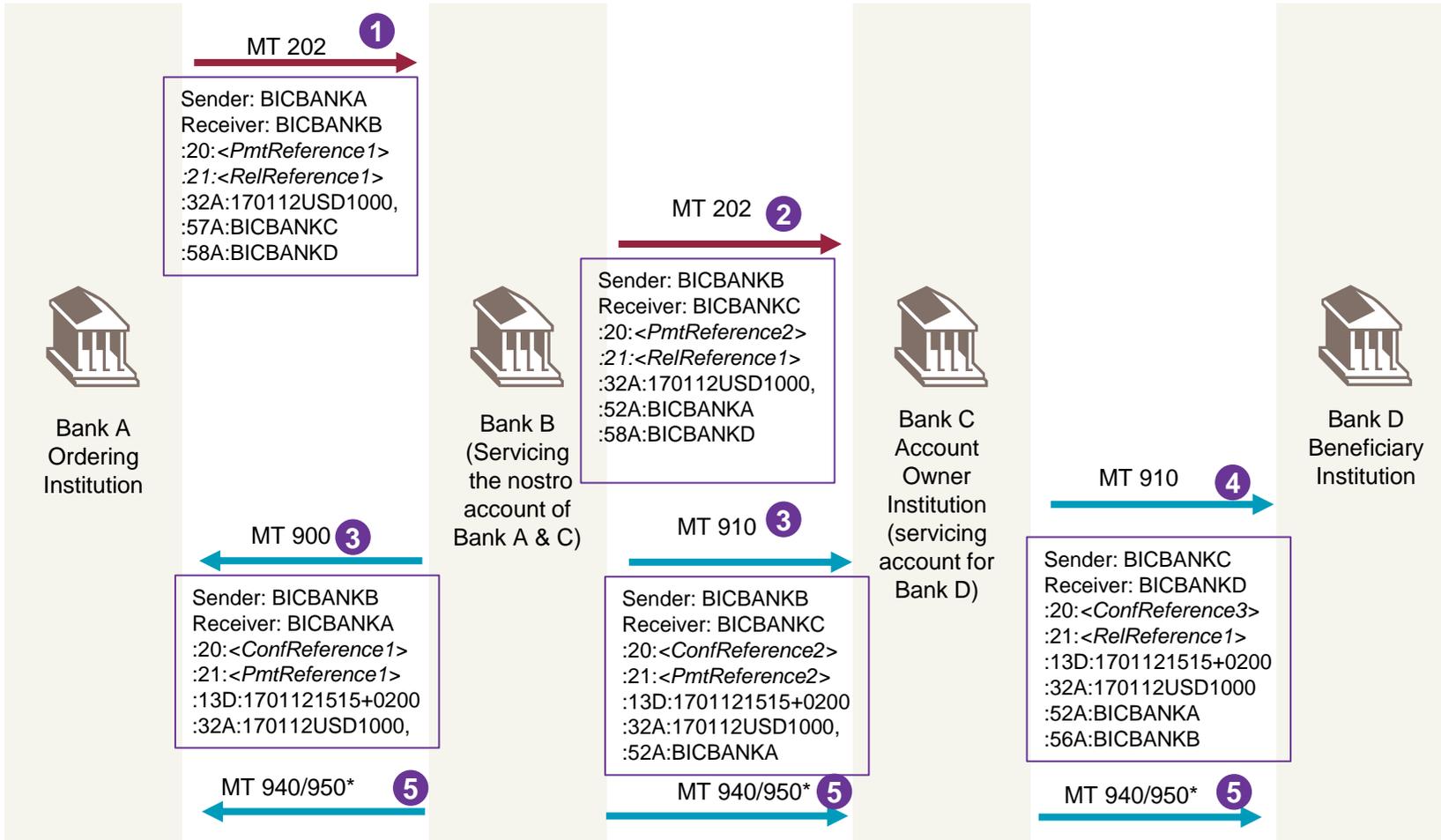


In a serial payment scenario when the *Account servicing institution (Bank B)* send an MT 202 to the *Account Owner Institution (Bank C)* for which this last one is not the end beneficiary of the payment, the *Account Servicing Institution* can send a credit confirmation to support accurate regulatory reporting

# Functional flow - Business rules for Use case 15: Beneficiary Institution is not the end beneficiary of MT 202



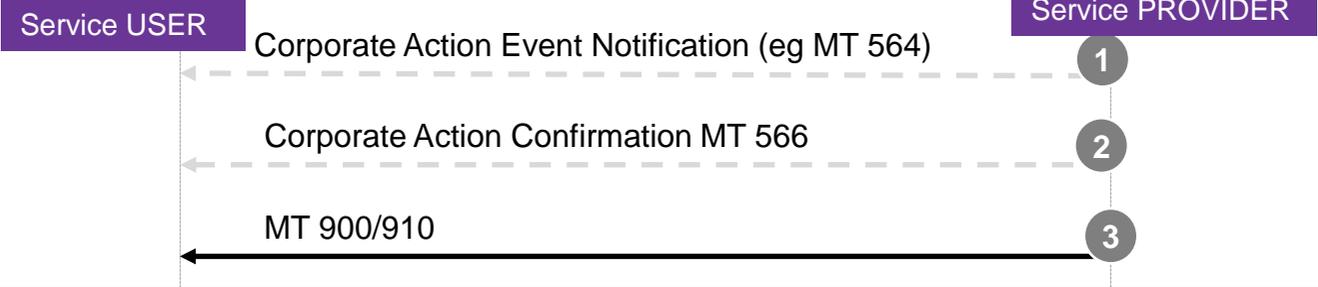
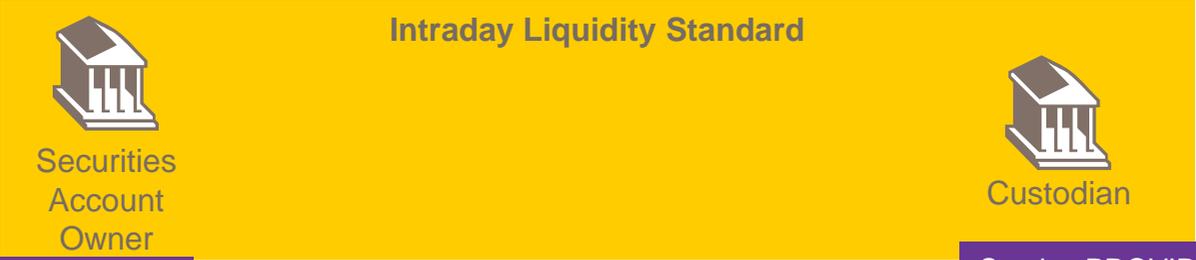
# Message flow – Technical rules for Use case 15: Beneficiary Institution is not the end beneficiary of MT 202



# Corporate Actions use cases



# Business flow for Corporate Actions use case 16 – cash account held with custodian



Out of scope, lines indicated in - - - - -

**Cash account held with Custodian with no foreign exchange required**

**SMPG recommendation:**  
**Use of MT 900/910 only to confirm cash movement**

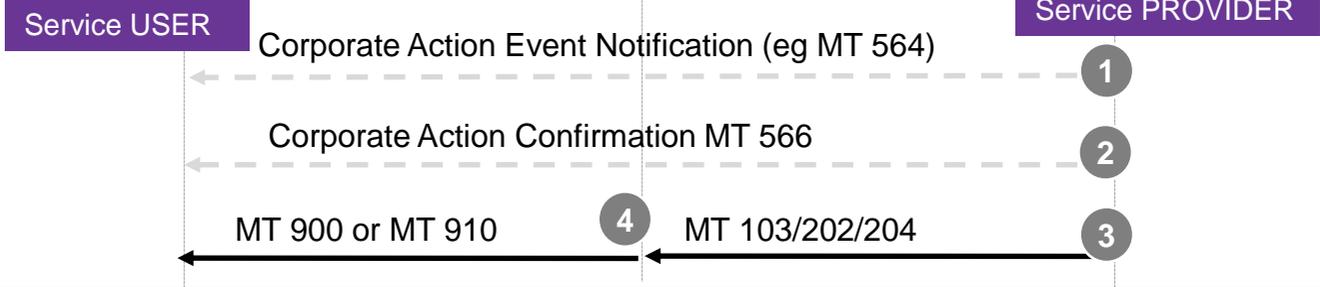
**:20C::CORP// reference of MT 566 is referenced in Field 21 Related Reference of MT 900/910**

:16R:CASHMOVE	Sequence D2 <b>Cash Movement</b>
:22H::CRDB//DEBT	Debit Account
:97A::CASH//123456	Cash Account Details number
:19A::PSTA//AUD1200,00	Amount
:98A::POST//20030530	Value Date
:16S:CASHMOVE	



# Business flow for Corporate Actions use cases 17 – cash account held with cash correspondent

Out of scope, lines indicated in - - - -



**Cash account held with cash correspondent with no foreign exchange required**

**SMPG recommendation:**  
**Use of MT 900/910 only to confirm cash movement**

**:20C::CORP// reference of MT 566 is referenced in Field 21 Related Reference of MT 900/910**





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